



**TRANSCRIPT
OF PROCEEDINGS**

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PRODUCTIVITY COMMISSION

**INQUIRY INTO IMPACTS OF NATIVE VEGETATION AND
BIODIVERSITY REGULATIONS**

**DR N. BYRON, Presiding Commissioner
PROF W. MUSGRAVE, Associate Commissioner**

TRANSCRIPT OF PROCEEDINGS

AT MELBOURNE ON FRIDAY, 15 AUGUST 2003, AT 9.30 AM

Continued from 14/8/03 in Melbourne

DR BYRON: Thank you very much, ladies and gentlemen. We resume the public hearings into the impacts of native vegetation and biodiversity regulations. Our first evidence this morning is coming via videoconference; representatives from Canegrowers in Queensland. Gentlemen, I'm Neil Byron. I'm the presiding commissioner. My colleague here is Warren Musgrave. We've got about a dozen people in the hearings room here in Productivity Commission headquarters. They can hear you, they may not be able to see you on the screen, but we can see you. If you could just, you know, give your names and introduce yourselves for the benefit of the transcript and then summarise the submission that you want to make and then we'll see if this technology can allow us to have a sort of question and answer session for half an hour or so.

MR SHEEDY: Okay, very good. I'm Peter Sheedy in the green shirt and with me is Gavin Hughes. I'm manager of Canegrowers (Herbert River). Gavin's manager of cane supply and transport for CSR, Herbert River Mills. We wanted to present a joint regional industry submission to the inquiry. It's all about the Herbert River sugar industry and Gavin, did you just want to make some opening remarks and introduce yourself?

MR HUGHES: No, I think you're doing fine, Peter.

MR SHEEDY: All right. I guess we have already emailed some written submissions and we wanted to talk to those and we're happy to discuss them a little further. Broadly, Canegrowers (Herbert River) represents 820 growers who supply the two sugar mills owned by CSR in the Herbert River district, and sugar is made from approximately 68,000 hectares of land that's cultivated to sugar cane where we produce sugar and export it from the port of Lucinda and it earns more than \$240 million per season when the industry is operating at its full current capacity. We've had a series of adverse seasonal conditions in recent years, including a new disease that's caused the collapse of the major variety and also combined with historically low sugar prices it has severely impacted on our earnings.

We've got a chart that illustrates the historic earnings from sugar and the distributions between miller and grower in the Herbert region. So that's illustrating there from 1985 to 2002. Does the commission have a copy of our written - - -

DR BYRON: No, I don't think I've seen that, not the one that you're holding up.

PROF MUSGRAVE: No, we haven't got that.

MR SHEEDY: You haven't got that?

DR BYRON: Can you just tell me when you emailed it down?

MR SHEEDY: It was this morning.

DR BYRON: I think they're retrieving it for us right now.

MR SHEEDY: Okay, that's great. Sugar is - - -

DR BYRON: That's all right, go on.

MR SHEEDY: I might just say that sugar is the principal industry in Hinchinbrook Shire. We've got a population of some 12 and a half thousand people after the 1991 census. That's a drop of about 1000 on the earlier census and reflecting some of the effects of the recent difficulties in the industry and what it's done to the local economy. We've got the main regional towns of Ingham, Halifax and Trebon that service the industry. We've set out a pattern of cane production area and area harvested from 1985 to 2002 to sort of illustrate the way the industry has grown over that period of time and it's sort of flattened out in recent years as we're trying to sort of stabilise from the effects of those adverse conditions. We've also set out a table of cane tonnage harvested over the same period and also the tonnage of cane per hectare harvested from 1985 to 2002.

Our district's response to the challenges of recent years has been committing itself to a cane productivity initiative. It's jointly supported by CSR and Canegrowers (Herbert River) and also the Ingham branch of Cane Harvesters Queensland. Under this cane productivity initiative, or CPI as we call it, realistic goals have been set to achieve about 20 tonne per hectare productivity improvement and three-quarters of a unit of CCS or sugar content in cane, to restore the regional industry's production to a capacity of about 5 million tonnes annually or more. It will always be a little either way through seasonal influences but we're trying to overcome those as best we're able.

Our analysis indicates that improved economies of scale at these levels of production will certainly significantly boost income, reduce unit costs for both mill owners and growers, thus providing the best capability of dealing with the depressed sugar market. As part of the total initiative, the key industry stakeholders have also committed to working through a regional industry board under which we've established several joint working groups to analyse opportunities for further gains. All stakeholders in the industry recognise that the industry needs to grow in the longer term from its current productive capacity to be a six million tonne a year industry, to be sustainable in the longer term. At 90 per cent rotation and production levels at about 90 tonnes per hectare we're looking at needing about 10,000 hectares of additional suitable cane land for sugar cane production.

We submit that current vegetation management regulations will require some modification and adaptive regional management to address constraints on achieving

the level of production that's needed to sustain the Herbert sugar industry whilst also mitigating unfavourable environmental impacts. We have a resource information centre in Ingham that the local industry, government - local government - and CSIRO are all partners in. It's a joint venture. With that we've got fairly good land resource data available and that indicates that resources are available to meet the longer term needs of sustainable industry. The current situation is that the resources are divided into supporting both sugar cane production and also plantation pine forest. They're the main two uses of that suitable land.

The Queensland government has been unsuccessful so far in attracting a regional investor into the exploitation of plantation pine forest. The longer term plantation program has been curtailed in the interests of biodiversity conservation in the region. In other words, some of the forest areas that were indicated as going to be planted with pine forests haven't been developed in the interest of things like the mahogany glider conservation plan, thus leading the resource base that appears unviable at present for the long-term, for the plantation pine forest industry. Taking a regional view, the land resource base appears to be capable of supporting either sugar cane cropping or plantation pine forests but it's insufficient to support both in the longer term without resort to major modification of native vegetation and biodiversity regulations; that is, if no expansion land is otherwise available.

Now, in looking at farm level impacts of current legislation, our analysis of constraints including private tenure of land suitable for sugar cane production indicates that within the region and within proximity to current transport infrastructure some 4500 hectares of privately tenured land would be available but a significant proportion of this land would require native vegetation clearing permits. The current regulations are impacting on commercial use possibilities of privately owned suitable land for sugar cane production. The current Queensland government moratorium and precedents with refused applications in potential mahogany glider to the north of us in the Tully region are constraining resource allocation, notwithstanding that these areas are actually outside of the land identified as critical mahogany glider habitat in the draft recovery plan.

We wanted to also make comment about the perverse effects of native veg management regulation that suggests that more certainty of property rights will drive more appropriate behaviour. Just in regard to that, currently land-holders are really motivated to behave inappropriately from a conservation/environmental point of view in regard to management of vegetation cover that hasn't reached trigger levels for regulation. In other words, you know, small saplings and things, people – we understand – feel motivated to keep them from reaching a greater level of maturity and then that leads to unintended consequences with erosion and water quality, whereas greater certainty of the owners' property and usage rights would effectively counter such perverse and unintended effects.

We wanted to make a comment as well in relation to regional planning. In the Herbert the sugar industry and the local government, the Hinchinbrook Shire Council and the Commonwealth and Queensland governments through the sugar industry infrastructure package supported the preparation of a master land and water management plan. I've got here the two volumes of that report. I've got the final report on the master land and water management plan which were prepared over about three years with the consultants Brown and Root and a lot of interaction with various Commonwealth and state agencies. One of the things that came out of that was a constraint mapping process. I'm just holding up a copy of a constraint map that's in one of the volumes of that report.

All I wanted to say in relation to that is that a lot of work has been done on constraint mapping. It's got very much a regional focus and unfortunately we feel that all of that good work is being sort of overwhelmed by the approach that's been taken to native veg management where new regional planning committees are being set up and really at this stage we just feel that the Herbert River's sugar industry needs and requirements that were certainly considered in this planning process, that did have a lot of interaction with all of those agencies, isn't being sufficiently dealt with under the current kind of planning. So really that's broadly what we wanted to lay before the commission, that we're a regional sugar industry, we're pretty much a self-contained district. Transport costs, with the present value of sugar, make it uneconomic to haul cane between other districts and the Herbert and we really need from our perspective, to keep that industry viable. There's a lot of sunk investment and that's going to be threatened if we can't see our way to growth in the longer term. We're happy to talk about any questions that the commission might have.

DR BYRON: Thank you very much. That was very clear and concise, Peter. I don't know whether you're aware that Warren and I and our other colleagues were up in Tully a few weeks ago and we were out on cane country and we were listening to the mahogany glider story at considerable length so you're actually reinforcing some of the things that we were told up there. I'm also pretty familiar with the Herbert River information centre and the excellent work they've been doing up there in terms of assembling the database and the mapping and planning capability stuff they've done. So that's really helpful.

Just your final point about the master plan that finally finished after three years, are they really thinking of doing a similar exercise all over again under, you know, a different umbrella: the regional natural resource management plan process or why don't they just take that one and go with it?

MR HUGHES: I think there's a great opportunity with the new NRM Wet Tropics Board to actually adopt the marshland water management plan and use that as a basis to build on in terms of the way that we actually manage natural resources in this region. I think it would be pointless to actually reinvest in doing the same sort of

work yet again. Having said that, the state department of natural resources has set up a wet tropics regional planning group that is actually - I guess some of this information is going to be fed into it but it appears to be not quite having the same focus as our - as this master land and water management plan has had.

DR BYRON: Okay. Just on the existing document that you've got there in front of you, what does it say about native vegetation controls? You were talking about constraint mapping and your identification of, you know, potentially suitable cane country. Does the master plan have an indication about available land and the impact of the constraints on clearing for cane development?

MR SHEEDY: The four and a half thousand hectares that I referred to was something that was indicated through the master plan as having, you know - as being suitable and with manageable constraints to be available for sugar industry expansion. Having said that, the mahogany glider habitat - there's an area of land that's said to be mahogany glider habitat but it isn't critical habitat, okay. The mahogany glider recovery plan has been considered in this master land and water management plan and it sort of distinguishes between potential habitat and critical habitat. Critical habitat isn't any of that four and a half thousand hectares but some of that four and a half thousand hectares does have vegetation on it and because we're in an area where a lot of potential glider habitat sort of fringes around us, on what we've seen in the Tully region where people with that kind of land classification, it's not endangered or of concern from a vegetation point of view, but because it's a potential glider corridor or habitat it's been refused and that kind of decision hasn't yet been tested on appeal. I suppose at this stage that's the way that the Queensland government administration has tended to deal with it.

DR BYRON: Okay. Yes, I think we were told when we were up there that there's quite a lot of debate and discussion about the mapping of areas as potential habitat and what the criteria are or sort of how good are the underlying maps on which these decisions are being based. I think in Herbert River with the history of the work that's been done at the HRIC, you've probably got pretty good information on, you know, what vegetation and what native fauna is there too.

MR SHEEDY: Absolutely, yes, we believe so. We've done a lot of work as well with - there's a wildlife consultant here who's sort of fairly well respected nationally, John Young, and we've done a lot of work with him as well in trying to understand some of these issues.

DR BYRON: Warren, do you want to ask anything?

PROF MUSGRAVE: Yes, thanks very much and we've got your submission with us now so that's good. You are currently subject to the moratorium I presume, that anyhow you would not be able to clear under any circumstances?

MR HUGHES: Correct.

MR SHEEDY: All of Queensland is, yes, subject to that moratorium.

PROF MUSGRAVE: Yes. Have you been able to discuss your problems with agencies concerned with the preservation of native vegetation and biodiversity issues? For example - go ahead.

MR SHEEDY: The opportunity exists to discuss it, I guess, but again it gets down to individual land-holders as well, you know, making applications. There's a \$250 fee. They're wasting their time putting an application in whilst the moratorium is around. We're - there's another way of thinking about this at the moment, particularly in our region. Because we've been hit with so many bad seasons in the last five years really the focus on our industry at the moment is actually restoring the industry to a better productivity level so really the questions that we're raising here or the issues that we're raising here are really for a few years hence when we've got a firmer foundation economically for the industry and then we're really setting our goals at saying, you know, if this industry is going to survive in this region we really need to somehow get our critical mass up to something around about six million tonnes for it to be viable.

So it's really about, you know, in a few years' time we'll be sitting down and saying, well, how do we get to that next step? We've got a program at the moment which is really focussed on vertical growth and, you know, that's our major - well, it's the lowest cost option obviously for growing but we're also quite cognisant of the fact that we will also need to do some horizontal expansion if we're going to reach those goals, based on, you know, just the biology of the plant and so forth.

PROF MUSGRAVE: Does the land and water management plan address this issue?

MR SHEEDY: It does in the fact that it has identified that there is around about 5000 hectares there of suitable land which is currently not under any other use other than, you know, it's got remnant vegetation, et cetera on it. It's not classified as critical habitat for mahogany glider and so forth but from what I understand with the latest mapping that's been done is that a lot of that area that has been previously - well, throughout master land and water management plan identified as possible expansion land, that's now got a question mark over it as, you know potential habitat and so forth and so hence would come under question.

PROF MUSGRAVE: Does the land and water management plan address the economic situation of the cane industry in your area?

MR SHEEDY: Not in total but it does go part way.

PROF MUSGRAVE: Does go part way. Well, that's better than some land and water management plans I've encountered in my time.

MR SHEEDY: Yes, the land suitability analysis that has been done has certainly considered, you know, the productivity and there was some economic analysis done in relation to classifying that suitability, right? That is built into the layers of data that we have in that constraint mapping.

DR BYRON: What I was wondering, when you say possible expansion land that's still under native veg, that sort of implies to me that it's probably of lower potential agricultural productivity. I mean, if it was better land it probably would have already been brought into production years ago, wouldn't it?

MR HUGHES: That's quite correct. The land that we're talking about isn't prime agricultural land, quite true, but we need to get to a point where we've got an industry which has got a sustainable mass to actually keep the rest of it viable and so that's what the issue is longer term. Now, what we've got competing for land in this region, you've got at least two major industries: one is the pine plantation and we're the other. We're the ones that are competing for land usage. Really I suppose one of the questions that we need to come to grips with is: can we still have two major land uses in this area, if we want to maintain the sort of vegetation cover that we've got? If the answer to that is yes, we want to maintain two then really we've got to bring into question the amount of vegetation cover that we've still got retained and some of that would need to go to actually make either of these industries viable.

DR BYRON: Yes, but from my knowledge of the pine plantations around Cardwell, they're much less sort of technically demanding of good quality land than sugar is.

MR SHEEDY: We're not really talking about the Cardwell ones. There are plenty in the Abergowrie State Forest area and Lanacos State Forest area and they're sort of very much adjacent to existing infrastructure - cane railways, et cetera - roads and so forth. They're within eyesight of Victoria Mill in some cases.

MR HUGHES: The plantations which are on the Cardwell range and beyond wouldn't be attractive to us simply from a logistical point of view, even if the soils there were appropriate. It just would cost too much to get the cane out of that sort of area and bring it across a range.

DR BYRON: I was just thinking that, you know, the sort of soils that you can grow pines on doesn't have to be anywhere near as good as the soils you need for good sugar production.

MR SHEEDY: Well, the Herbert of course, fortunately, has got some fairly good soils that were allocated back in the 50s for pine forests and the fact that they've reached maturity and, you know, are ready for harvest, expressions of interest were called years ago and there have still been no developments out of that in terms of an investor for the pine mill. Some of it has been logged and taken to Townsville, through Townsville, but it's the - the investor was in the region that was - a promise out of that resource hasn't eventuated.

PROF MUSGRAVE: Which suggests that the pine plantations aren't worth much.

MR HUGHES: They're certainly not at a size which would be economical to actually look at some sort of sustainable development there.

DR BYRON: No, but is there a possibility that when they clear those mature plantations, particular in the locations that are accessible to you, that land is transferred from pine plantation - you know, the State Forests might sell it to the cane industry for example. I mean, I don't think they'd want to put pines back on it again.

MR HUGHES: Well, in some cases they are but it's one of the areas which we're trying to open up some dialogue.

PROF MUSGRAVE: Sounds like a good idea, yes. Earlier you used the word "corridor" in relation to the vegetation, the remnant vegetation that was there. From what I saw when we were in the Tully area such corridors have a specific purpose, or could have a specific purpose, in connecting the uplands with the coastal areas. Okay, in your opinion would there be scope for compromise to be explored, if clearing was permitted, whereby the corridor needs could be met and some land released for clearing, that is, is there scope for a trade-off to be made where there's a balance struck between the needs of the industry and the needs of conservation of vegetation and biodiversity?

MR HUGHES: I really think that is actually the focus that we should be going forward on whereby we actually look at creating a sustainable development when we're looking at expanding and taking into account those issues in terms of creating connecting corridors and so forth as part of a means to, you know, actually grow our industry. So yes, I think that is exactly the way that we should be thinking about it.

PROF MUSGRAVE: Such compromise I gather from what you're saying is not addressed in the land and water management plan.

MR SHEEDY: It is in part but it probably needs - - -

PROF MUSGRAVE: Development.

MR SHEEDY: - - - further development, yes.

PROF MUSGRAVE: So are you confident there would be satisfactory procedures available to allow such negotiations to proceed?

MR SHEEDY: I think we're actually heading in that direction now. We also have a Herbert River catchment group that both CSR and the canegrowers participate in, that represents the whole Herbert River catchment and one of the projects that has been proposed is actually looking at some significant project to retire certain parts of the landscape that may be currently in production that may not be entirely suitable for intensive agriculture and to utilise, you know, the less suitable parts for environmental sort of rehabilitation but then use other parts - you know, the more suitable parts - to add onto the more sustainable land that is suitable for intensive agriculture and, if you get what I'm getting at, a kind of land swap and there's a good deal of compromise in that concept.

PROF MUSGRAVE: Well, this suggests that there is some scope for optimism. You do see some light at the end of the tunnel after the moratorium.

MR HUGHES: Provided that it's actually entered into with that frame from a government perspective then yes, I think so. But time will tell in terms of whether people are actually interested in engaging in that discussion. Certainly in the past there have been times where people have been not wanting to actually enter into that discussion.

PROF MUSGRAVE: People being agency people.

MR HUGHES: Agency people.

PROF MUSGRAVE: So in a sense you feel at the mercy of the agencies as far as such - - -

MR HUGHES: In this one we are because we're really talking about State Forests and that's controlled by them. So really it comes down to a policy position of theirs as to what they deem is appropriate and is possible, that they're actually willing to sit down and talk about.

PROF MUSGRAVE: Would you agree with the suggestion that given the potential impact of the regulations on wellbeing in the industry, that there would be provision made within the regulatory structure for such negotiations to proceed?

MR SHEEDY: That would be an eminently sound way forward.

PROF MUSGRAVE: Okay, thank you.

DR BYRON: Well, I don't think I've got any other questions. Anything else that either of you gentlemen would like to say to wrap up?

MR SHEEDY: I suppose the only other issue, and I'm not sure how clearly it came through, would be the expectation that some land-holders would have bought their land 15, 20 years ago with a view to actually developing parts of it and now could no longer develop those parts of it due to various changes. They would have a view to compensation, so in terms of - I was just thinking about your terms of reference. That would certainly be an issue for some land-holders in this region.

DR BYRON: We should have brought that up. That same issue has basically come up in every state we've been in. The interesting thing is that it's the people who have retained the most native vegetation in the past who seem to be the ones most affected by the controls, whereas the people who removed the native veg 20, 30 years ago are largely unaffected by this.

MR SHEEDY: Yes, in fact there are people in this region who will feel very deeply disappointed that they did retain, you know, patches of bush for all kinds of other values but they always believed that they were theirs to manage and of course now they're not. That really has upset some people.

PROF MUSGRAVE: In relation to that, I must say that what you're saying reflects what we heard in the Tully area so we are pretty well aware of this type of problem. Is the incidence of this problem high? Now, the reason why I'm asking this question is that it seems possible that the payment of compensation in this situation could be highly discretionary on the part of government and I know for sure that state treasuries, they get very, very frightened when the C word is used and so the smaller the potential compensation claim the better in the sense that treasuries don't take such fright; they don't like big bills. So if the problem in your area or other areas is large it's going to make the compensation battle harder, if it's small it will make the compensation battle easier I guess. So I'll put the acid on you: is it a big problem in your area or is it not so big?

MR HUGHES: I think one way to phrase it is, it is potentially significant.

PROF MUSGRAVE: Okay. Sounds like potential habitat for the mahogany glider perhaps.

MR HUGHES: Exactly right. I have a view that - and this is a personal view - that if the issue of compensation was to be raised you would have what you would call critical mahogany glider habitat and then potential areas where a mahogany glider

could actually live sort of coming right out of the woodwork and, sort of, your areas probably doubling in mass.

PROF MUSGRAVE: So you're saying that it does seem that it's not an insignificant issue, this question of compensation. Okay.

DR BYRON: If the state government was to set aside a bucket of money - I don't know, X million dollars - and say, "We're going to use that to put together the best area of mahogany glider critical habitat that we can buy with this bucket of money," and then be very strategic in terms of saying, "Well, how much conservation will be achieved if we buy this property outright or if we sign a contract with Farmer Bloggs," or whatever? They would then have to ask themselves the question, "Is it really worth locking up this farm or would we rather spend our money somewhere else?" At the moment if you just do it through regulation you don't have to prioritise and decide which ones you need first.

MR HUGHES: I think it's really something which, the only way that the solutions are going to be workable is if they're actually developed at a regional level. I think one of the things that is happening within government, particularly in NRM with their focus on having a regional board, getting regional people involved in actually solving these sort of problems you're actually going to get things which are more workable than trying to make some sort of carte blanche solution fit all areas.

DR BYRON: Absolutely.

PROF MUSGRAVE: Do you feel that the regional organisations which exist in your area or are proposed are robust enough for such negotiations to proceed to a point where you can get satisfactory agreements with government?

MR HUGHES: I think they have the potential to be. We're just going into a new cycle now with a new wet tropics board which is going to be based not on representation but based on the skills required to actually - - -

DR BYRON: We heard about that in the Cairns hearing, the wet tropics NRM board.

MR HUGHES: Providing that actually comes to pass, and we do actually have people with those skills and it doesn't become representational then I do think it's very much got the ability to actually act as a go-between and work out what are very difficult, complex issues. There's nothing simple about the solutions to these things.

PROF MUSGRAVE: But ultimately it would seem to me that if you're going to have this sort of win-win type negotiation succeeding you've got to have some input from community people, not just skill-based people. I understand the point about the

skill-based people but ultimately it would seem to me that community people would have to have significant input and they would have to be in a position where they can sign off with some authority for their region on anything that's agreed. Now, how would they input into this?

MR HUGHES: My supposition is that if you've got the right skills on the board then they will make sure that process happens because they will know that without community input, without getting the various stakeholders on board that they're not going to actually create the best outcomes for the region. That's where I'm founding that understanding. It certainly needs to be a community area.

PROF MUSGRAVE: It's a very difficult question it seems to me but thanks for your opinion on that. That's very useful.

DR BYRON: That has been very helpful, thanks. So anything else?

MR SHEEDY: I think we've covered it all fairly well. I concur with what Gavin said in relation to the NRM board. I think there is a good opportunity there. It remains to be seen. The potential certainly is there.

MR HUGHES: Perhaps the only other thing, just to reinforce again, was the unintended consequences of the current legislation in terms of land-holder behaviour and I'm sure it's not isolated to this area. In fact I know it's not because I actually saw it in some other areas whereby people are going out and clearing saplings along creek banks and things like that just in case somebody classifies them as critical habitat at some point in time, and the unintended consequence is, obviously, that you increase aspects of erosion and all sorts of things as a result of that behaviour and it's not good land management practice. Had they not had the fear they probably would have made different choices. So I think that, just as another issue just to highlight in here, I think it's important.

DR BYRON: Yes, that's consistent with what we're hearing in a lot of other places too, yes. Well, thank you very much, gentlemen. I'm surprised and impressed that the technology has held out this long. Sorry we couldn't actually be there in person to meet with you but this it not too bad a substitute. Thank you very much for your contribution.

MR SHEEDY: The next best thing and we're grateful for the opportunity. Thank you.

DR BYRON: Thanks a lot.

DR BYRON: Now we're back to doing it in person again, rather than by remote control. Thank you very much for coming, Mr Tippett. I think you know the work now. Just introduce your name for the hearing and then we'll have a discussion.

MR TIPPETT: Yes, my name is Gilbert Tippett. I've been farming since 1927 and have been in three different districts and have had all sorts of troubles. I didn't come across the productivity people until just recently. I've dealt with all sorts of - taken my problems to various organisations or various governments and got chased from one to the other but I've never been chased around to the environment and biodiversity people until I read this article in the Stock and Land, I think it was, reporting about the protection of the grasses on the volcanic plains. I tried to find out who made the request and I thought, "This belongs to the state government." So I got onto my local member, seeing as I'm a townie now, and so they eventually told me that it wasn't the state at all, it was the environmental protection and biodiversity people. So when I got onto this office here and I wanted to see a copy of the act, and I was sent to the state library. I had a look through that to see exactly what or who would make this request. I've never been - I still don't know who made the request.

Why I'm interested in it is that, although I've been farming all my life I've had other interests as well. I'm a life member of the Grasslands Society. I've been with it ever since I started. I belong to the animal production and the agricultural engineering and I was the first president of the South Wimmera VFF. At that time I had heart trouble and had to give it up but I seem to have got over that. That was - must be nearly 40 years ago. No, it's not 40 years. The VFF hasn't been going that long. They've only been going 30-odd years. But my concern was that if this was - if we couldn't find out who was making these requests, that where would it finish up? When I've been farming I've been farming in three different districts. I started off in the Ballarat district on the chocolate volcanic soil there, where it was mixed farming and when I left school that country had been farmed for about 60 years from when it was cleared.

My great grandparents, great grandfather and his brothers, they saw-milled it; the thing that we get into trouble for doing today. In 1927 nearly a third of that district was crop sick. People always said, you know, "Good volcanic soil." But it had got to the stage where there was one man that I knew of and he mixed rye corn with his oats to try and get it high enough so that he could cut it with a binder to feed the horses. But that country now is better than it ever was, but the thing that turned it in the 1930s was that people sowed subterranean clover and fertilised it with the newfangled thing, superphosphate. Superphosphate was just a newfangled thing in those days. Then I put in about 10 or 12 years there and the war came on and I had a small place of my own. It was a place that was part of that third that had had it. I sowed it down and then one night there was a chap came and he didn't want to go to the war and made me a lucrative offer for it so I sold it to him and joined the airforce. Then I had three and three-quarter years with them.

I was actually on leave one time and was offered a property down at Inverloch. I went down there and it was a shocking day, and made a ridiculous offer for it but they asked me to come and sign up for it in three days' time. Now, this country at Inverloch was coastal country - - -

PROF MUSGRAVE: Sorry, Mr Tippett, could we locate it a bit more precisely? Is that down towards the coast, is it?

MR TIPPETT: It's on the coast. If you go down here to Dandenong.

PROF MUSGRAVE: Okay, sort of over here?

MR TIPPETT: Down to Dandenong and south from there.

PROF MUSGRAVE: Okay, that's good enough.

MR TIPPETT: When you get down about 20 miles out of Dandenong and follow the coast around there you'll find that there's a lot of Tea tree and all sorts of stuff down there.

PROF MUSGRAVE: Yes, we're well away from the Western District now.

MR TIPPETT: Yes.

PROF MUSGRAVE: That's why I was asking that. I'm a New South Welshman.

MR TIPPETT: Yes, but we did the same things as the Western District people were doing and of course it was a fairly big place that I took on and soon ran out of capital and approached the Commonwealth Bank for an increase of overdraft. The manager of the Commonwealth Bank told me that he had it on good authority that the country I'd taken up was unsuitable for settlement. Now, that country, I had it for 20 years. Sold it 30-odd years ago, but I still have 13 acres - there was a small deed there; we kept the 13 acres - and I was down there a few weeks ago and one of the people that has about half of it now, he is fattening cattle on it and he had bought a property in the Western District to breed cattle to fatten at Inverloch on country which I told him - now, this - the point that I want to make about this is that these - experts - the bank manager, he didn't know. He was relying on what some agricultural expert had told him.

In the time that we were down at Inverloch of course we had to get all sorts of advice and we did get a lot of good advice and there was one man that gave us advice, he was advocating the inoculation of clover seed so that it would germinate. He was quite a character and was doing this outside his jurisdiction and he finished

up being taken before the Public Service Board and was demoted for having written on departmental paper without his superior officer's consent. It took us seven years to get him reinstated. There were tests made of this idea of his and there was a friend of mine who was an agricultural - one of the agriculture department people, was sent down there to disprove what Harold Pitman was saying, and I'll always say to him, "You know, you two people did a tremendous job down there: you tried to disprove Harold and him trying to disprove you."

That was how that country - now, that country; there are thousands of acres that have been converted from Tea tree scrub which would be lucky to carry a goanna and a kangaroo to the acre, to fattening stock. I left it because I was running sheep where I should have been running cattle and I ran into a lot of foot rot. I tried to farm it mixed farming, being, you know, with the Grassland Society - they have no research of their own. All they do is provide a forum for people to come and speak to them or supply things to their newsletter. Now, this - the people that - there's never any drive for members of the Grassland Society. They've got nearly 2000 on the books at present but I've always contended that people at the Grassland Society, if there's a worthwhile idea, a new idea, that having it brought before the Grassland Society, there will be a percentage of them that will try it out, then more people will see it and it will become practice.

There is actually - if these plants are desirable, if they - when a plant is to be protected it must have some value of some sort. If it has a commercial value, well then there's no need to have any legal restraints to get people to take it on. If it has a future value there are enough people that will appreciate that it has a future value and will try it out. But if it has any other sort of value, well then that should be stated. When I moved from Inverloch, went up to Horsham to the South Wimmera, and mainly I was interested, having been in mixed farming at Dean, and tried mixed farming at Inverloch, and I put in a crop down there and stooked it and stooked it three times. The storms blew it over and it wasn't any good at any rate. There is a chap down there - I was taken over part of it recently, where they - on what I thought was the poorest of the country - they'd grown a crop of maize eight feet tall.

The thing was that Inverloch had been sewerred and the sewerage was pumped to a dam not far from his place and he'd put in a megalitre dam and was using this for the sewerage. That's the sort of progress that can be made by people that are instructed or advised of progress. But up at Narrabeal, that's in the Southern Wimmera of course - where we were in the Southern Wimmera is the capital of the cockatoos and when I went there 30-odd years ago a few cockatoos about were quite an ornament. It quite could be appreciated and they were - the long-billed corella was an endangered species, the same as the black cockatoo is, and it wasn't long before the long-billed corella became a pest because they'd bred up so well. We've had a lot of trouble trying to persuade the powers that be to do something about it. First of all they had - well, the current thing is that now you can shoot them. That's

about all you can do. You're not allowed to poison them. That's terribly off. But you can shoot them. But anybody that thinks you can shoot a mob of cockatoos, particularly with the sulphur crested amongst them - because they always keep two up a tree keeping the owl and you can't get anywhere near them to shoot them unless you're a very good shot with a high-powered rifle.

There have been two inquiries about the cockatoos, one state and one federal and in the federal report it states that these birds are worth a lot of money in legal markets overseas. They're worth more of course if you're on the black market, if you can get them there. But no one can - some of us have tried to get permits or get it open so that permits can be granted to export these to these markets but you get chased from one government to another, round in a circle and you finish back with the ones that you started with. If you go to the department they say, "No, that's a ministerial matter," and if you go to the minister he makes inquiries and one thing and another and he says, "You know, I've got to be guided by what the department tells me." And you're back to where you started.

The thing is that there seems to be, amongst the departmental people, anything that is commercial is, you know, very wicked. I think these two chappies that were here yesterday had much of that opinion, that farmers couldn't be trusted to be on boards and I've found that is the case and that the - that we've got nowhere at all with them on that score. I've always contended that if a thing has a commercial value and is farmed, whether it be a bird, animal, plant or even a reptile - commercial value and are farmed - they will never become extinct. Anything that is commercial has no chance of becoming extinct. I've had one trip overseas and got to a place in England, it was at the British Royal Show, and they had a thing there of protecting various animals and one of the animals that they were very concerned about protecting was the red tammie pig. In the days of my youth the pig pavilion at the Melbourne Royal Show would be half full of red tammie pigs, but the thing was that the red tammie lost his commercial value to the white pig so the large white - that is about the extent of my experience I think, excepting that when I was in the airforce I came across a very good idea there. I'd already bought this property when I was on leave, by mistake. I didn't intend to buy it but having made a ridiculous offer and having had it accepted, I was landed with the property and so it was - there was a chap manpowered on it, so we left him manpowered on it.

Brother-in-law and I had this property and it came about harvest time and there was some of it producing a bit of hay and so we thought we'd make some grass hay so somebody told me you could get leave from the airforce - I was down at Sale at the time - leave from the airforce for harvest leave. So I applied for harvest leave. They said, "You know, you should have applied for this earlier" but I eventually got a week or so and went down there and gave them a hand, amongst the grass hay and the snakes and one thing and another. Then I was there for six or seven months down at Sale and I thought I'd put in an application for the next year, for next harvest

leave, so I put in an application for the harvest leave and eventually got sent up to the Northern Territory again. I wanted to know, you know, what happened to this harvest leave. So I went to the CO of the workshops that I was at and he told me in no uncertain terms that the base was run as an airforce should be run and if there was anything I should know I'd be told about it and one thing and another.

So when I went back to the workshop the warrant officer said to me, "How did you get on with old Splash?" I said, "Well, he told me, you know, anything" - he said, "Are you satisfied with what he said?" I said, "No, not really." So he raced into his office and brought out a book like a dictionary and he turned it over and he said "read that". It was redress of grievances. Now, this redress of grievances in the airforce law at that time - I don't know whether it still goes or not - was that if you weren't satisfied with what the CO told you you could appeal through the area officer commanding. The area officer commanding only had three days to reply to you and if he didn't reply within three days you could apply to Victoria Barracks and if they didn't reply within three days you could apply to King George himself.

So when I put this thing in, Splash had one look at me, went red in the face and told me that the area officer would deal with me and I was on a plane the hell out of - - -

DR BYRON: Well, the grievance procedure seems to be something that is lacking in the native vegetation area that we're discussing at the moment. Have you finished your comments?

MR TIPPETT: Yes, yes, I have.

DR BYRON: Just one or two things but - - -

MR TIPPETT: I thought you would have rung me off.

DR BYRON: No, but you've given us some very good examples of how technologies change over time and how country that, you know, people once thought was worthless actually can become very productive when you get something new like subclover or super or different ways of farming the country or new types of crops that people didn't think about before. The one that interests me I guess is the idea - the comments that you made about the commercial farming of native plants and animals and I think you know that there was a Commonwealth senate inquiry and there was a Victorian state government inquiry into that and both of them came to much the same conclusions, that I think - the same conclusion that you've come to but nothing seems to have changed in spite of those. It's interesting in this inquiry it seems there are lots of government agencies who think it would be a good idea if farmers grew more native vegetation but when they do they're often told that they can't harvest it or they can't use it. So, you know, the old catch-22 comes up again.

Warren?

PROF MUSGRAVE: Yes, thanks, Mr Tippett. It's all very interesting, including the story about the appeals procedure in the airforce. I think that's very instructive. But can we go back to the Western District and the declaration under the Environment Protection and Biodiversity Conservation Act. Is that a heritage - - -

MR TIPPETT: No, I got bogged down here.

PROF MUSGRAVE: Sorry. Anyhow, the preservation order relates to the grassland in the Western District.

MR TIPPETT: It relates to all the volcanic soil on the south side of the - - -

PROF MUSGRAVE: Yes, that area between Hamilton and Camperdown?

MR TIPPETT: Yes, all - from Beaufort to Camperdown.

PROF MUSGRAVE: Down there. A lot of that area has been improved by sowing super, hasn't it?

MR TIPPETT: Yes.

PROF MUSGRAVE: There mustn't be much remnant grassland there.

MR TIPPETT: And the department have a 2000 acre - they've got 2000 acres of parkland down there. That should be enough to preserve these - if these plants have a future value that we're not - and they are preserved in these parklands, that they can - if they become commercial they will soon be multiplied up and - - -

PROF MUSGRAVE: If the gene pool is still there.

MR TIPPETT: You've only got to see what multiplication will do. There's none of our food that we normally consume in this country is native to the country.

PROF MUSGRAVE: Yes, Eurocentric.

MR TIPPETT: Wheat, oats and barley, they're all foreign plants. They're all foreign plants and the horses and the sheep and the cattle are - they've all been bred up here. A lot of them came - the originals came in sailing boats.

PROF MUSGRAVE: Yes, interestingly in the north of New South Wales where improved pasture doesn't necessarily survive very well the native grasses are coming back as a preferred pasture. So that's an example of how the species, if preserved, in

the future could become of value - economically valuable. But to get back to what you said in your letter, I gather that it's not possible to find an explanation of exactly why the preservation order was issued.

MR TIPPETT: Yes.

PROF MUSGRAVE: That's not very satisfactory, is it?

MR TIPPETT: It's not possible. Well, I haven't been able to find it. I tackled the Victorian government through the minister who - - -

DR BYRON: This is Commonwealth.

MR TIPPETT: Who's that?

DR BYRON: It's the Commonwealth not the state government.

MR TIPPETT: Yes, but he sold me on to the Commonwealth and I came here and I wasn't able to find out here who it was that originated the - - -

DR BYRON: I think under the Commonwealth legislation anybody can nominate anything for protection under the Commonwealth Environment Protection and Biodiversity Conservation Act so that they don't have to have standing in a legal sense. The Commonwealth government apparently does not disclose where the idea came from. So, you know, hypothetically you could go out and nominate something for some reason and Canberra would go and look into it. Interesting point.

PROF MUSGRAVE: So am I right in getting the message from you that you believe that a more satisfactory situation would have emerged had the community been consulted, advised and, as you say, given some education in relation to the reasons for the preservation that - both sides would have had a happier outcome?

MR TIPPETT: Yes, certainly. That is the only way to - - -

PROF MUSGRAVE: Yes, so your point is the absence of such consultation and advice to the community.

MR TIPPETT: Well, this came up several times yesterday. I suppose you people have heard it all over the country.

PROF MUSGRAVE: Yes, and the two people that you referred to as saying that farmers weren't suitable to sit on committees and so on were the Australian Conservation Foundation people, were they?

MR TIPPETT: They were the two people in the afternoon.

PROF MUSGRAVE: In the afternoon, yes. Okay, I just thought I'd better get that pinned down otherwise we might accuse the wrong people. Okay. Yes, I think I just wanted to clarify that point about the Western District.

DR BYRON: Well, thank you very much for coming, Mr Tippett, and it's been very helpful and interesting.

MR TIPPETT: Yes, of course I've got to look at these things - - -

DR BYRON: Thanks for your observations.

MR TIPPETT: - - - being a swinging voter.

DR BYRON: Okay. We now take a tea break and resume at 11 o'clock with Janet Blake.

DR BYRON: Thank you very much, ladies and gentlemen. We can resume the public hearing. The next evidence is from Janet Blake. If you would like to just formally introduce yourself for the transcript and then give us your evidence and then we can have a question and answer session about that afterwards. Thanks very much.

MS BLAKE: Good morning, Janet Mary Leeshman Blake and Kevin John Blake of 265 Eastern Access, Baroona Park, property name Dashwood. Okay, I'm apologetic because the worm virus has attacked every computer in the locality so we're using an old CD today, being the one that I presented to the national Landcare conference in Darwin back in May but it will give you a general idea what we're talking about. Farmers have never willingly abused or degraded land. Farmers have always had to look forward to the coming year and the next generation but with generational change within individual properties and farming communities it has enabled new approaches in farming practices to be undertaken.

Movements in commodity prices cause shifts in stocking and cropping techniques. The revolution in equipment size, availability and affordability also influence primary production and industry. Vermin, weeds - such as Patterson's Curse, Batt's Spur and the common old Scotch thistle - erosion, water palatability and availability are all issues that have plagued the Australian agriculture and seem to prosper on the urban integrated fringe. Recognition of the threat of salinity, erosion, soil damage and the resultant land degradation across the country also prompted primary producers as well as stakeholders, including local, state and federal governments, to sit up and take notice. The 1983 dust storm that swept across Victoria blocking out the sun really raised the awareness that all was not well in the bush in urban Australians.

The problems of wool and beef industries prompted growers to change track, moving into alternative commodities especially in the regions which could be cropped. Raised bed cropping appeared and areas which could never before have been cropped overnight became prime cropping ground. More recently intensive, high-profit margin farming practices, such as free range pigs enterprises are being established where once sheep and cattle grazed on larger broad acre properties. As you're flicking through here, we're looking at Dashwood from 1978 right through until the present day. Urban Australians have had little need to think about the countryside that makes up the bulk of this island until the dust blows and the water is short and the food prices start to rise and indeed, their comfort is disturbed, except to dream as to how they believe that our land should be managed.

The Australian myth sees people on the land as eternal battlers or filthy rich. The reality for most of us who earn the living from the land, it's a balancing act between being required to comply with environmental regulations designed to benefit the entire community at significant cost to individual farms, whilst playing on

the level economic playing field internationally. That little hut there was one of the original soldier settler huts that they lived in when they first settled the land. That's the original wool shed that we started with in 1978. In 1978 we purchased Dashwood, a 1200 acre farm, with the aim to farm it. We did not envisage the growth of the environmental laws and regulations which now dictate every farm decision we make. There's the old wool shed. Dashwood just happens to sit on the western plains grasslands and prior to our purchase had been conservatively managed by a soldier settler.

There's the new wool shed. Through our own efforts and with minimal assistance we have developed wetlands, protected grasslands, planted some 40,000 trees and wood lots, been the custodians of broilgas, Dunnarts, *Delma impar*, *Agrosdiadim Sonii*, as well as hunting the rabbits, hares and foxes. Foxes and cats have a huge impact on our native wildlife and an even greater impact on productivity through the loss of sheep and lambs. Our broilga babies just don't stand a chance. We purchased Dashwood to earn a living for our family. We did not buy a national park and really we do not farm for the public good but by default in our environmentally sustainable management planning we invoke the public good process on a daily basis. We have and continue to farm our land which is now some 3000 acres in an economically and environmentally sustainable manner. We bought a farm to farm.

We won the 1993 Landcare award primary production Victorian section and have since hosted many groups from local and international Landcare, worked with universities, the Melbourne Zoo, the CSIRO and more. These days we just farm. We have recognised the most significant areas and have made a conscious effort to maintain and enhance them where it remains viable but at an equally significant cost. That's a legless lizard, a *Delma impar*. The dramatic fall in wool prices in the M2 sale last week, together with the dry conditions has seen the sale of some 600 wethers, with the consequence that a much higher ratio of the property will be cropped next year than ever before. Today we would not be able to achieve - that's where the legless lizards live, in the big paddock - many of the highlights of Dashwood because of the restrictions through legislation and regulation.

The wetland would not be able to be created and it would still be a salty marsh rather than a nutrient sink, home to *Agrosdiadem Sonii*, Japanese snike, ducks of many varieties, swans, the little black copperheaded snakes and our beautiful broilgas. That's the '83 dust storm. If we were being true to the principles of biodiversity we would not be planting any of the trees on the grasslands and it would still be the pleurisy plains we found in '78 and the impact of that would be absolutely immense. This is a red gum forest that we've created and we hope to actually - one day someone might be able to harvest some of those trees. Some of them have been pruned. We would not have been able to clear the rocks from the paddocks and would therefore be prevented from cropping the fertile soil. We have learned to

identify the significant areas, where the Dunnarts and the legless lizards live and have strategically left those areas alone and concealed on the areas where the soils are suitable for the habitat, to clear and make more profitable in dollar terms.

You see there, it was the pines and there we harvested those pines. We took them down, we had them processed and we've used nearly all of those fence posts now on our farm. That's productivity at its best. Here we are looking at the laneway which runs through the property and a portion of the wetland where the *Agrosdiadem Sonii* is found. We would now probably be unable to clear the tracks, this track, which give us ability to fight the grass fires which happen in our area in the more inaccessible paddocks, and to make movement of stock and equipment efficient with ease of access. Primary producers are in the business of producing food and fibre and that means making those essential dollars to remain viable. We've got a mate Robert and he says, "You know, we could do without them bureaucrats. Most of them would be doing a damn site better and more good if they were out there doing something rather than thinking about doing something, you know, like rabbiting or fencing or putting a tree in the earth." He's a wise man, our Robert.

The uptake of biodiversity management through Landcare in the hobby farm sector - and that's spraying on one of the more rough barriers - and in the urban areas has brought with it many of the issues of lack of understanding between the real world for profit and managing the land for pleasure and lifestyle. Not-for-profit land managers have brought an expectation that all farmers can achieve equally and at the same pace. Those not reliant on the land for survival frequently are making unrealistic demands on genuine farmers. That's pinasta - it's a pine tree that will be harvested in about 80 years; Mediterranean Pine and we were the only area they could get to plant a sample block of, what is it, eight acres? Eight acres. It's easy to preach biodiversity with a full belly and money in your pocket. Those of us who have native vegetation and biodiversity must have a greater say in the legislative and regulative processes. Currently it is minimal and we're not jolly well listened to.

We believe decisions need to be made farm by farm, because of the diversity of issues, ecosystems and regions. At Dashwood we set priorities, setting aside some 200 acres back in the 80s - a significant ecosystem with plovers, silver tussock, wallaby and kangaroo grasses, home to numerous fauna species including Dunnarts and Dolmas. We made the decision to keep the best but we could not keep it all. We've been able to go from having a big bunker for our grain to now having a shed. That took a few years to achieve but we've done it. On the purchase of our second property we have identified a significant paddock, some 70 acres, rich in native flora and because we view it as something very special it has also been set aside but we will manage the land and not be dictated to by bureaucrats who are sitting on a very healthy salary.

We believe that native vegetation management needs to be set aside at the farm

gate and issues such as property size must be taken into account. Now, what are we going to do? Are we going to send people broke? Making the decisions at the farm gate will give people confidence that they have certainty of tenure. Some of the current state government proposals include thoughts that all remnants of significance on private property would be owned and managed by the Crown. That's certainly a recipe to send people broke and not palatable to people such as ourselves who watch as Crown lands deteriorate at an unprecedented rate. Imagine in our case, two or maybe three pieces of land within a farm being fenced out and unable to be managed by the owner and then they think we're going to swap that bit of land for a bit down the road. It's unbelievable. What a nightmare. In our region significant roadsides and Crown lands such as Rokewood Common, the Lee Bush, have been let go. The state government cannot even make the decision to manage their own responsibilities.

The principles of net gain are absolutely ridiculous. How in our something when we have done our work are we going to be able to institute net gain? Our country needs to have applications of super on a regular basis and has done so for generations. Some would argue that this is detrimental. For whom? The farmer needs to maintain productivity and the native vegetation is still there, I might add. In Australia the only reason many urbanites know there is a drought is the dust, water restrictions and higher food prices. The gulf between whole of farm income families and the rest of the population is immense. There is little understanding of that fine line between success and despair and the difficulties we have in handling the key elements of the weather, commodity markets and prices, politics and more particularly taxes. Exceptional circumstances funding is only available when one has absolutely nothing left; the paddocks are bare, the sheds are empty and the long-lasting damage has been done.

There is growing talk about stewardship but absolutely no proper ongoing funding to assist the stewards, only a pittance for a bit of fencing to allow set-aside and thus reduce further land-holder income. That's the 200 acres. There is little appreciation of the one-man band operation and the incredible demands being made of people who often manage very large areas singlehandedly, due in part to the low returns for agricultural commodities. The issues are water, environmental management system, public good, conservation, subsidies, stewardships and so on. Environmental management systems is a new idea recently dreamt up as a pathway to environmental sustainability and eventually to world markets. The public good principle keeps abounding into all our literature and I'm going to ask you, would you, as a bureaucrat, willingly forego in excess of \$50,000 a year in income by protecting native flora and fauna for the public good without any assistance? In fact what is public good? Does it entail not burning strategic fire breaks and protecting native grassland, versus providing strategic fire breaks and protecting life and property and productivity?

Rebates: some sell the opportunities that local government rebates may offer environmental protection. As a local government councillor in a small rural municipality I know that it is very difficult to adequately recompense people for their public good conservation, particularly when it comes to broad acre farms. This is compounded when the municipality has many properties with similar issues, assets and liabilities and a low rate base to provide rate relief while maintaining the essential infrastructures, such as roads. Stewardships and voluntary agreements: bear in mind that Dashwood, our property, is host to a nationally listed species, a number of rare and endangered and vulnerables and a host of threatened species that we protect of our own volition - no-one's told us to do it. It's created a real problem for future viability of this property as a working farm as there are now many experts wishing to tell us how to manage but not offering the dollars to make stewardship viable. That's *Agrosdiadem Sonii*, very rare and endangered that is.

Current world trade issues are frequently used to counter any argument mounted by those of us who discuss any form of long-term ongoing assistance for those who are the custodians of the nation's heritage. Politicians of all creeds run the minute mile should anyone suggest that real, meaningful assistance be provided to those who protect and foster preservation of significant endangered ecosystems. Token programs such as the Bush Tender program in Victoria are being trialed but unfortunately they only attract a certain section of potentially eligible land-holders and managers. What is needed is a serious look at the environmentally sensitive area schemes in the UK, but Australian bureaucrats and politicians seem to think the corporate dollar is going to fund solutions. Well, I can tell you differently.

Those who know - look, there's productivity at its best. We don't spend money on houses at our farm. Those who know are very willing to tell we ignoramuses how to, why and when but they are not so willing to provide the wherewithal. That is, the dollars to actually do. That's what we started with. In grass roots land, people want to be able to set their own targets, to implement programs what will yield real results in a manner that best suits them as individuals, groups or catchments with achievable time frames that are not necessarily tied to election dates. As the conservation programs established - gather momentum, so has the bureaucracy around it blossomed. More bureaucrats than farmers half the time I think. We have seen the recognition of salinity, waterway management, land management, forestry in a plethora of documents, strategies and plans.

In the R and D myth we are frequently presented with the proposal that reinvents yet another wheel and are told by way of explanation that the research hasn't been done. A great deal of research has been done, particularly relating to salinity, and lies gathering dust because the researchers move on and never return to quantify the results 20 years on. Now, if you look at this little bit of a dead tree, this is an example: between 1980 and 1996 Kevin and I planted in excess of 1000 salt tolerant clones in a trial with the CSIRO and NRE. In the mid-90s most of them died

and the boffins were happy and wrote up the papers but here's the one that survived, and there's a number of these providence, dotted around along the creek, and they're still happily growing and it's prospering, yet no-one has returned to find out why and see if this providence might be valuable in the salinity fight.

The problem is election dates. Politicians and bureaucrats: no-one wants to take the time to look back and admit the failures, document the progress and truly get hold of the big picture, either local, state or national scale. Too much is tied to budgets, short-term contracts and even shorter term vision. Election dates mean that targets and results are aimed at winning the next election and the next term in office and politicians are so fickle that frequently they'd much rather take the short-term rather than the long-term gain. Biodiversity issues such as native flora and fauna management become blurred with the emotion in politics which confuses rational decision-making. 2003 is a time that we really need to take stock of what has been achieved and what needs to happen. Currently much is crisis management; reactive rather than proactive. Drought, fire and flood management, salinity control, temperature reduction and urban planning. Government removed the most effective way to control vermin in Victoria a few years ago. Seven years on it produced the fox bounty and now they've taken it off again. Now, this bit here is the wetland that we've created with the nutrient sink and it's at its driest stage.

The problem for the owners is that everybody wants to have a say about what we own: federal, state catchment and local governments are all having a bloody chop at us and in the past few years I've prepared so many submissions and made contact and comment to so many bits of legislation and regulation I've just lost count. The problem for landowners is that if we make the wrong move, ignorance of the law is no defence in a court of law. A legal mine field is being developed without most of those affected being given any real say. Some bureaucrats would be well advised to listen when our friend Robert says, "It's bloody surprising what you can learn after you thought you knew everything." And finally, we believe that if those of us who have native vegetation and at the same time need to remain productive and profitable, we must have a greater say in what's going on. We need 50 per cent of the say. They reckon there's very little native vegetation left. Well, we need a hell of a lot more say in what's going on and just, we would say, use us or lose us and the gates will be shut. Thank you very much for listening.

DR BYRON: Thank you very much.

MS BLAKE: We're still looking at the slides here. This is part of the big paddock. That's the sort of country we've got. If you turn the lights off - we haven't finished yet. I'll just run through those.

MR BLAKE: This is the 200 acre section we've set aside on our own property. We felt that it was important and really what we're saying to you people today, we want

to have some say on what happens to that paddock because currently, with the federal, state, local and catchment management authorities developing all the strategies, developing all the legislation, we are the people that provide the land. We see the significance of it. We see the significance of it in terms of native vegetation, in terms of science, in terms of possible use in medicines, et cetera, et cetera, but we get no say on what we do. So, you know, as Jan said, we've had all these people, we've had Ballarat University, we've had Melbourne Zoo, we've had - NRE used to be on our property at least once a week. We just now say, "Look, sorry, we're too busy or the roads too wet, the lane's too wet to get out there. No, look, sorry, we're not interested," because we live in a bit of fear - in fact we live in a lot of fear, that we're just totally losing any control over the native vegetation that we own, even though we've set it aside.

You know, we talk about productivity and economic sustainability. We really want to be able to say, "Look, we'll set aside this portion of land within the farm but we want to be able to farm the rest of the land in a profitable manner." We can't keep it all. It's just a simple fact. You just can't keep it all and we've done the same on the new property. As Jan said, we've looked at what we see as an important section, some 70 or 80 acres out of 981 and we're prepared to set that aside but the problem we have, we want to deal with the rest of it. The previous owners of this property have all gone broke, slowly but surely gone broke. We don't intend to. We intend to manage it on a sustainable, economic way, giving priority to what we see as important in native vegetation, in what we believe is an adequate amount of land set aside. You know, that's basically it in a nutshell. We're not getting that at present.

The other thing that we - you know, the previous speaker was talking about the departments and the people. Well, in the last few years the departments have been gutted of a lot of their senior members of their staff and one of the problems we have is a lot of new young people coming in with - look, I don't disapprove of that but the problem we've lost is the decision-makers and the balance-makers. There's no balance in there at present. It's just, "Oh, look at that bit of grass there. That's rare and endangered. Close that paddock up." You know, then they go to the next paddock and the same thing happens again. That's where we're becoming very sceptical about letting these people onto our property any more. I don't think I need to say any more.

MS BLAKE: On the issue of not getting a say, you know, both of us applied to be part of the local catchment management board over the last, what, three times. Still haven't got there but I suppose in some respects it's rather a good thing. We can say what we want now, not bound to say what someone wants us to.

MR BLAKE: One of the other things that frustrates us too is that I chaired the Corangamite Salinity Program at a state level for just on six years. We developed a document called Restoring the Balance which we implemented on our own property.

It has - where the salt was going up the slopes. Restoring the balance in our terms has worked totally at a local farm level, not at a local regional level, or a regional level itself, but now the federal government bring out NAP, national action plan, and the first thing they want to do, instead of looking at what's been done, they say to the catchment management authorities, "We want another strategy and about four million bucks." You know, nobody has come back and looked at what restoring the balance has done. We have proved it but not in scientific methods. We haven't measured it daily inch by inch. We're treated as imbeciles because a visual appraisal is not enough. They won't accept it. We've just proven that deep-rooted perennial grasses and trees and a mixture of processes have worked. But here we go again: NAP produces a new strategy instead of works happening on the ground.

MS BLAKE: That's the original - - -

MR BLAKE: It's federal and state obviously.

MS BLAKE: That's the trees in 78 and there they are, the same trees today.

MR BLAKE: And that's only one section of the wetland.

MS BLAKE: So there you go.

DR BYRON: Thank you very much. I don't know whether it will surprise you or not but probably many of the points that you make in that submission, other people have made the same points to us. You may feel like a voice in the wilderness sometimes but I don't think so. Just to comment before I ask Warren to get into questions, in the last page you've got, "The problem for landowners is if they make one wrong move they get prosecuted and ignorance of the law is no defence." I said exactly that same sentence at quarter to eight this morning on ABC radio.

MR BLAKE: Just as well we weren't listening then, isn't it?

DR BYRON: No, but the - you know, we're becoming incredibly aware of precisely that issue; the sheer volume of legislation. We're finding that many of the state public servants who have to implement this legislation don't really know and understand all of it.

MR BLAKE: They've got no idea.

DR BYRON: Of any one particular piece of legislation, and yet when you're trying to deal with in some cases 15 or 20 or 50 pieces of legislation, you've got to be absolutely sure when you get out of bed every morning that you're not going to go out and break the law on the farm today and yet when people go and ask the relevant bureaucrats, "Can you tell me what this means?" - frequently they can't. We've had

examples in all states where state public servants are doing things which they think they are permitted to do or required to do which in fact are not legal. So, I mean, it's a big call but, you know, the reason this inquiry exists is because there are hundreds of other people around Australia who are having the same sorts of frustrations. So, putting it down on paper, coming here and putting it on the transcript, is helping to build up the evidence that we can draw on to look at what these impacts are overall. I've got a few questions but I'll let Warren go first.

PROF MUSGRAVE: We got several messages and thanks very much. One of the significant messages is that you want to be consulted or want to have more say and when you say "we" I assume you don't mean just you two, you mean all the farming community. Do you mean that you want to have - you want to be involved in existing organisations, and you referred to the Catchment Management Authority, or do you see ways in which the organisations could be reformed in order to mobilise farmer opinion better, to involve farmers in decision-making and indeed make it possible for farmers to sign off on arrangements for native vegetation and biodiversity management - that is make an agreement with government?

MR BLAKE: Look, I think there's a couple of ways I can answer this. I'd like to take two ways. I'd like to just let you know of an example that occurred. The Catchment Management Authority about four or five years ago was developing the first draft of the native vegetation strategy for the Corangamite region. They wanted a local government representative. They had a local government representative on the board, so Jan applied from outside the board and, as local government rep she lobbied and we had some runs on the board. What did the Corangamite Catchment Management Authority do? They put their board representative on to represent native vegetation so therefore he had two spots: sat on the board and he represented local government. Excuse me, you know, how do we get a say when that's happening. So that's internal politics and things happening and they're the issues we get concerned on. Instead of putting someone else to give a different view to the board member, they give the board member the local government role as well as where he sat.

You know, in answer to your question we get darned frustrated at times when those sorts of things happen. The other part of the answer to the question is currently we are not getting any say. We go to a meeting where they have a draft - they present a draft document or they ask for discussion. Many times we get outweighed by the people that wish they had it or we get outweighed by people that just want to have it - - -

PROF MUSGRAVE: Sorry, people? Can you identify these people? Are they agency people or - - -

MR BLAKE: Sometimes it's our neighbours. They've cleared all their bloody land

or their forebears have and they wish they had some but they haven't got any. We've got two in our region that are shockers. You go to a meeting and you get swamped by these two blokes who haven't got any native grassland.

PROF MUSGRAVE: But they are having their say and you're having your say.

MR BLAKE: Absolutely, they're rightful to have their say.

PROF MUSGRAVE: Your concern seems to be that they're prevailing.

MR BLAKE: When we get up and have a say we get howled down because we've got it and they haven't, you know. It becomes a very difficult process.

PROF MUSGRAVE: Difficult for you but not difficult for them. Their view is prevailing.

MR BLAKE: Absolutely not because they haven't got any.

PROF MUSGRAVE: So are you arguing that your view should have precedence over that of others in the community?

MS BLAKE: No, not at all, but we should be able - - -

PROF MUSGRAVE: So what are you saying?

MS BLAKE: - - - to have a view. The other issue is that of our - my writing represents some of the most significant grasslands probably in the world but nobody has got any. We're the only silly mugs that have got any because we were so proud of what we had that we were prepared to show people what we had, we were prepared to work with agencies, we worked through the issues. The legless lizard issue was a case in part. Back in the early 80s they wouldn't let the local fire brigade burn a road because there were legless lizards there. Now, we knew we had heaps and so Kevin opened his mouth and said, "Look, we've got heaps. If you'll let us burn this main strategic fire break you can come and do your research on our place." So, I mean, we opened our mouths and said we had it. It's too bloody late now, the gate's open. They know. But I can tell you now if you ask most of the people in our region, "Have you got any native vegetation?" "No, no, it's severely degraded." And it is of course.

MR BLAKE: But I think what we're trying to do in telling you is that there is a process that will work. Very clearly in my mind there is a process that will work and that is to give the farmers a lot more say on how they're going to manage it because if they get some say then they'll be more open. At present they're just frightened. It's different with trees. If they're going to push a few trees down you can see it from the

road and it's a visible approach that's happening and somebody will be screaming. That is not the case with grasslands. It can disappear very quickly and that's the problem. That's one of the reasons that grassland is disappearing, because people aren't confident the system will help them. They don't necessarily want money, right. They want to be able to manage the land in an applicable way that they believe will keep that grassland and in the sort of things that I was saying: they're prepared to give a percentage but they're not prepared to be bullied into giving everything, because that's not the case. We just cannot survive if we have to give everything. We're prepared to give some and in our case we've given nearly 300 acres out of our - we lease a property, we own 2100 or something and we lease another 800.

It's difficult to explain but unless you give us - unless the government give us some more say on - we've said as a farm-to-farm basis because each farm unit is different and I don't believe you can say that can't be achieved, because it's already being achieved in the other side of the scale where they are actually looking - well, in the Weekly Times there was a bloke that wanted to put a fence up. I had my suspicions about him but when you read between the lines he got in with the chainsaw and carved down a fair few trees and then next week there was a lady that wanted to put the power in and for God's sake, she lived in where the scrub had regenerated and, you know, there's got to be a balance. There's got to be a bit of give and take. There's got to be a better approach. You know, I think she was going to cut down 50 trees and they wanted her to plant 3000. Well, she was about 70-odd. You know, that's the sort of problems that we're having, okay. That's the sort of thing that's destroying grasslands.

PROF MUSGRAVE: We hear you and we understand you. In fact, as Neil said, we have heard similar expressions of anguish and frustration from others and we can certainly report your frustration and your anguish but what I'm asking is, have you any thoughts as to how your voices might be heard better? You're saying you want to be heard, "You've got to hear us," or "they have to hear us" - I think the fact that we hear you is not your important message - - -

MR BLAKE: Well, I can answer that question. I'm sorry, you're about our last chance because we're bloody sick of it. We're sick of going to Catchment Management Authority meetings, we're sick of going to NRE meetings, we're sick of going to state government meetings because they do nothing.

PROF MUSGRAVE: But you have no thoughts as to how to - something that we might put in the place of a Catchment Management Authority, something that might give you an avenue for being heard.

MR BLAKE: Got to have a much more open process. Much more open process.

PROF MUSGRAVE: Yes, do you have any thoughts?

MR BLAKE: The example I gave you about the board member being appointed as the council rep when there are other people applying; the board member gets the job, excuse me. You know, how do you - - -

MS BLAKE: Makes it really hard.

MR BLAKE: I'm sorry, I don't know. I'm not answering your question but - - -

MS BLAKE: The politics of fear at the moment is the big problem we've got in that a fellow I know said to me one day, just when the new regulations were - well, they haven't come out yet. They haven't been donked on the head, but they were being thought about and he'd got the draft document and he said, "Well, I don't know which end of the paddock to start clearing first and I don't want to clear any." The point is though that those people are so afraid to even go to a meeting - I mean, they'll ring me up and tell me what they want me to say but they're not going to go and say it and that's the issue. It's the politics of fear that they just don't want to even acknowledge the issue. That's the really difficult thing we've got at the moment.

DR BYRON: Okay, just relating to that, one specific - sorry, one problem that we're having is to try and get a handle on how widespread are the people who are affected by the native vegetation legislation and the biodiversity controls because some people are saying, "Well, you're only hearing from 100 people around Australia who happen to be, you know, just the few who are affected," but we're also being told that there's hundreds, maybe thousands of people out there who are affected but they're afraid to speak to us or put their hand up because they're afraid of drawing attention to themselves and of some sort of retaliation, you know, that people start knocking on their door and persecuting or prosecuting them because they put their hand up. I mean, if there's only 100 people who are willing to sort of go on the record and say, "Native veg legislation is affecting us," it's hard for us to make a case that this is a major, national problem that has to be fixed. I'm not saying that those 100 people aren't important but if it's 100,000 people who are saying, "This is really hurting us," then, you know, we need to be able to get some sort of handle on whether it's just a few who happen to be the exceptions, the anomalies, to whether it's really widespread but people have just been intimidated into silence.

MS BLAKE: Yes, the only thing I can think, because people won't even acknowledge it on the census form - there was a question on one of the census forms recently and I don't think many people would have ticked the box there because you can still be traced. I think probably it would only be - maybe a suggestion would be to give the hundred of us some questionnaires that we distribute and we return back to you so that we know that they're totally, totally in confidence then we may be able to help you with that. But it really is an issue where people won't come forward.

DR BYRON: Yesterday morning we had one guy come here and make a submission and he said that when his neighbours found out what it was and they read it and passed it round 51 of them signed onto it as well. They had been much more reluctant to sort of put their hands up at first.

MR BLAKE: Can I just go back to the question that Warren made, look, I think not in all cases but in a heck of a lot of cases the farming community has changed. Land care has changed. Not in all cases, look, I must admit that. But there is a new thinking of broad acre farmers out there and we don't want to destroy this. We want a greater say in how we manage it and how the legislation is developed because if we don't get that we live in this fear that we talk about and you talk about, that every time we do get up in the morning we're going to be prosecuted and here we are trying to retain the stuff but we really have to get those people that have it together and say, "Well, how are we going to best work through this?" If you go to a meeting and you get four greenies versus two cockies you just get outswamped.

PROF MUSGRAVE: You are explaining the problem to us very well and we're hearing you and we've heard a number of other people who explained it to us as well. In addition to the explanation we're searching for thoughts that you might have on how the situation might be reformed. Let me just go on a bit. There are those who see that the current arrangements for consultation and involvement in the community in natural resource management in Australia aren't working - Catchment Management Authorities and so on: they're not working. There's a problem. We need to seek better ways of doing it and we're looking for suggestions, particularly from people like you, because there are those who are saying that the way to go is to have much more emphasis on what they call bottoms up - - -

MR BLAKE: Absolutely.

PROF MUSGRAVE: - - - more empowerment of the community, more resources for the community, to actually be significant components of the decision-making process and to have significant oversight of the implementation of what follows. But how to do this? We need to have more specific solutions. It's important that you come up with some solutions or else you're going to have more experts saying, "Here's a solution, put that in place."

MR BLAKE: Warren, I think you're like us. You've touched exactly on the issue. It has to be those that have it have a say, have a greater say, from the bottom up. We have to unfortunately eliminate some of these people that haven't got it because - - -

PROF MUSGRAVE: But how are we going to - I mean, give councillors more power?

MR BLAKE: No.

PROF MUSGRAVE: No.

MS BLAKE: Not really. Look, there is possibly a way that you could have it, is to have - I'm not sure, not being an expert on the Internet and confidentiality, but maybe there is a process where we could have an Internet forum or chat room or whatever that allows people to come in an in-confidence manner and actually have some input into maybe a set range of questions, set ideas, where you could advertise it in the Weekly Times that it's going to be running for two or three months; you've got an opportunity to log on, have your say in a confidential manner. Look, really that is the big issue. People do not want to put their names to stuff and maybe that could be a process.

Look, we've got a friend up on one of the subcatchments of the Murray and many years ago he took me for a drive and he showed me a paddock with a fence through the middle of it and he said, "Now, look, this is the same paddock. On this side of the paddock I've got lignum and on this side I could have a paddock of rice followed by a paddock of wheat. The lignum earns me 10 bucks a year, the rice and the wheat earns me a thousand bucks a year per acre." They're the sort of issues that are across the country. I went to Spain last year with the women who went to the World Womens' Agricultural Conference and the same sort of issues were echoed right around from all the women from across the bus: same kinds of issues. So maybe something like that, an Australia-wide thing, that you put up on the Net; it gives people an opportunity to feed in over a period of time, may give you that feedback.

MR BLAKE: Warren, can I just suggest - look, I'm running out of ideas, but we have to have more confidence that we have native vegetation in terms of grasslands as farmers, that we're not going to be put through the wringer. We're not going to jeopardise our profitability and productivity. We just have to be given more confidence that, "Look, hey, you're out there doing the right thing. You're setting aside some land." Right? Because, look, I think the other thing that's probably difficult for you guys is that I know for a fact that New South Wales is a lot heavier than what Victoria is. It's a different ball game. I've got mates up there and it's just an absolutely - look, we live in heaven here.

DR BYRON: Yes, we've been on properties where that - - -

MR BLAKE: Yes, we just live in heaven to what those poor devils have got to go through. But we have to have more confidence that, okay, we've got this. We want to keep it, we want to manage it, we want to continue to manage it, without being hassled. Look, I don't know what the other - - -

DR BYRON: Could I take a different - - -

MR BLAKE: The real problem is we have federal, state, local government and Catchment Management Authority and all the rest that you talked about before. We're only bloody farmers. How do we keep it up, you know?

DR BYRON: But to take a different track on that, other people have said to us, you know, if you've got freehold title on a property and it's zoned for, you know, rural, agriculture, farmers grow stuff; they grow plants and animals. Some of the plants are native, some are exotic, some of the animals are native, some are exotic. We'll grow all sorts of plants and animals. We as the land-holder will decide which mix of plants and animals, native and exotic we'll grow depending on what's happened to the wool prices or whatever. If we want to grow some legless lizards or some skinks or butterflies or something, we can do that. But if the land has been zoned for farming then provided that in growing whatever it is you grow that you are not causing any damage or nuisance to your neighbours, and by that I don't just mean the people next door, but, you know, you would say the catchment - neighbours broadly defined. As long as you're not damaging them in any way whose business is it whether you choose to grow plants A, B and C or X, Y and Z?

The track record of governments in managing public land isn't that inspiring that you would want those same civil servants to manage all the private land. I mean, we've had the experience of state farms run by bureaucrats in the Soviet Union and I don't think it was a great success there. So I don't think anybody would suggest that public servants should be running farms and micromanaging and making detailed decisions about which plants and which animals you should be running on the farm. Now, it seems obvious to me that Australia is so diverse in the soils and vegetation and landscape and topography and rainfall and everything else that you cannot have a "one size fits all" formula, even at the scale of a shire or a catchment management unit. You know, one paddock is different to the next paddock, even on a property.

MR BLAKE: Absolutely.

DR BYRON: So you can't have somebody who just makes a rule that says, "You have to grow A, B and C or you're forbidden from growing X, Y and Z." Now, at a very practical level it seems to me who's the person who's most competent to decide which plants and animals to grow on which particular piece of land? I think it's probably the people who live there. Unless they're going to do something which is seriously dangerous and harming their neighbours, in the broad sense, whose business is it which mix of plants and animals they grow? That's not a question of reforming institutions or legislation, it's basically a question of saying if the area is zoned for agriculture then as a farmer you have the right to farm.

MS BLAKE: Yes, no, but unfortunately then you've got the overlays that come in.

You've got environment overlays - you understand planning in Victoria?

DR BYRON: Mm.

MS BLAKE: You've got the environment overlays and there are going to be biodiversity overlays, there are going to be salinity overlays and where you get an evangelistic officer in the local government shire who pops them on everything, it can make a very big difference as to what you're able to do within a planning scheme.

DR BYRON: Yes, you're talking about the way it is now. I'm talking about the way it could be.

MS BLAKE: It could be. Have to act quick.

DR BYRON: Yes, but is it necessary to have all those overlays? Now, if you take a salinity or rare and endangered species of bird with critical habitat or something, now that might fall into the category of, you know, public nuisance or doing harm to your neighbours, very broadly defined, in which case some level of government has an obligation, a responsibility, to give some sort of direction. Barring some significant nuisance, you know, what business is it of the state or Commonwealth government whether you choose to grow wheat or oats or barley or native grass or whether you choose to grow sheep and cattle or skinks and legless lizards.

MR BLAKE: But that's not the current process. The current process is, we want to do something to a piece of land we have to get a permit through the planning system and what you're saying is basically change that, give it to another body. Well - - -

DR BYRON: No, I'm not talking about giving it to another body.

MS BLAKE: Take the regulations off.

DR BYRON: I'm saying, do we need to have that level of regulation at all?

MS BLAKE: No.

MR BLAKE: No, we don't, no.

DR BYRON: And the question, have only the absolute minimal level of regulation where it can be clearly demonstrated that it's necessary but if it's not necessary and it's unhelpful and it's inequitable and unjust then why do we persist in having it? I'm not about adding new layers of regulation, I'm talking about stripping away everything that we don't need when it doesn't work.

MR BLAKE: Well, I think the current system, Neil, is unworkable because we have so many levels of regulation and legislation that we've got no hope of knowing what the federal process is. We know there's about a \$5 million bill if you get caught. At a state level, well, I don't think they know what they're doing themselves and, you know, you can't suggest that local government can do it because, you know, there's - - -

DR BYRON: Yes, but what we've been talking about is all the regulation, all the legislation that tells you what you're not allowed to do. The flip side, the alternative to that, is have an approach that isn't based on legislation and prohibition, that is based on somebody coming along and saying, "Gee, you've done a fantastic job with that property. Can we give you a reward," or "If you'd like to keep doing that or even do a bit more of it, you know, we'll give you an extra couple of thousand bucks a year. Thank you very much, keep up the good work mates." But that's not what's happening at the moment, is it?

MS BLAKE: That's what I was talking about the environmentally sensitive area schemes in England. I don't know whether you're familiar with that but at the time I went to England in 2000 they had a scheme - and it was a very proscriptive scheme, probably too proscriptive, but if you had a lowland cow pasture meadow there was actually a formula as to what the government would pay you to run it at a set stocking rate which was probably lower than the productive rate but one that would keep it in good health for the future. Those - you did sign an agreement but in my memory it was about a 10 year agreement and there was no obligation at the end of that agreement to continue on. You were free to go - there was no penalty if you didn't wish to continue on with it.

So they had a lot of their heritage areas protected by this and it was certainly giving incentive, particularly to areas that were fairly difficult to run - some of the upland hills in Wales they were using it on. It really gave them some incentive to preserve what was worth preserving. I've been pushing it for a while; if we could just go and get some real stuff but the government just doesn't want to know about it. They keep waffling on that it would upset the GATT agreement. Well, I spoke to one of the head negotiators of that and he said that's absolute crap they're going on with because it doesn't upset - having an incentive scheme is not going to upset our trade negotiating processes. That's - you know, every time you mention it to a politician, "Oh, no, we can't do that. It'll upset our trade balance. We've got to play on the level playing field," but this guy explained to me that you could have incentive schemes that would be equitable and fair and would be no disincentive to the trade negotiations whatsoever.

DR BYRON: I think a more likely explanation is that treasuries are very reluctant to enter into anything that actually costs money and it's actually much easier to pass a law that says, "You have to do something," rather than to come and make a

commercially negotiated contract that says, "We would like you to do more of this and we will pay you accordingly."

MR BLAKE: Look, I don't think that law in terms of grasslands across the western basalt plains is working. It's got to be the reverse. It's got to be that from the farmers, we want to do something. We're prepared to do something. We don't necessarily want money for it. We want to be able to trade; trade a particular priority area to be able to work the rest of the land otherwise we become unviable. That's what we've done and we've done it successfully. The slides have shown the old wool shed. We've paid for our first property, okay, and we've done it in an environmentally sustainable, economic process and it can work.

DR BYRON: Yes, well, that brings me to the last point I wanted to make that you said there that you had to prioritise about what to keep because you couldn't keep it all and the reason for that is that you've got a budget, you've got a constraint and you've got to survive and be viable and all the rest of it. Now, I compare that to some of the people on the other side who do want to keep everything and basically want to save every tree individually, not just every genus or ecosystem. They at the moment don't have a budget constraint like you have. They therefore don't need to prioritise. They can therefore say, "Well, we want this and we want that and we want that and we'll have that too," because they don't have a limit on how much. Again, thinking about alternative ways it might be done in the future, if there was a certain amount of money that the Department of Sustainable Environment or whatever had, and they had to go out and say, "How can we get the greatest biodiversity conservation bang for the buck out of our X million dollars?" Should we buy that bit of land there and add it to the national park or should we go and enter into a contract with these people here or shall we pay somebody over there to put a perpetual covenant on that, but we can't have everything all at once everywhere all the time." So having a budget constraint would force them to prioritise about what's really strategically important rather than just saying, "We'll have whatever we can get everywhere."

MS BLAKE: You're quite right, yes.

MR BLAKE: The property we've just purchased, we leased it for three years and we knew after the first six months that we would never touch this particular paddock. I'm not going to tell you why but it was just absolutely fantastic. To put a plough into it would be criminal. But we want a trade-off. We've set that as a priority and I think they're good things you're saying. You're listening to us. Okay, set some priorities. Get the best at the farm gate, out of the priority areas that still remain and I think it's important to remember that those people that have still got it care about it.

DR BYRON: That's the other thing that's coming through very loud and clear in all these hearings, is that the people who are being affected by the native veg controls

are not the people who got rid of all the vegetation 20 or 30 years ago in fact, they probably got tax subsidies and incentives to do it.

MR BLAKE: To clear it, yes.

DR BYRON: But it's the people who've been trying to, "do the right thing" who are now the ones who seem to be getting caught in the trap that probably wasn't meant to catch them.

MR BLAKE: Look, sometimes we wish to hell we never had it.

MS BLAKE: But I mean, in our area there's a very easy way to get rid of your native veg. All you've got to do is go down the road a bit, get some serrated tussock, come home, sprinkle it out, wait for two or three years and you can have it bulldozed. You can get a grant to clear the bloody stuff. It's true.

DR BYRON: Now, is that perverse?

MS BLAKE: I mean that's true though.

DR BYRON: No, well, people in Gippsland told us that, you know, they couldn't touch a particular area of stringybark native remnant vegetation that the family had been looking after for 100 years because it was in such fabulous condition. On the other hand, if they would seriously flog it, if they would just put horses and goats in there for the next couple of years then they could get permission to do it. They said, "We don't want to flog it, we've looked after it for 100 years." But this is the sort of perverse thing that is actually pushing people to do the wrong thing for conservation purposes. That just seems silly.

MR BLAKE: Yes, but we have a strategy in place that if things get too hot, I'm going to go and buy a tonne of phalaris per paddock that I've got left and go for a walk every morning and just - in three years' time I won't have to get a planning permit because there will be no native vegetation there. It will be all phalaris. I can do what I like with it. I can assure you we don't but, you know, people will talk about - you can spray it, you can do what you like with it but spraying native grassland can in fact enhance it. It might kill a few species out, if you spray it with Roundup. You can flog it with sheep and that probably helps because it gets rid of the Capeweed and whatever else is in it, but look, there's a lot more into maintaining it than what people think. You have to make sure that you don't get rye grass in there. You have to make sure you don't get phalaris in there because it takes over that paddock, you know.

DR BYRON: But that's why the government should be trying to work with you and help you rather than threatening you.

MR BLAKE: Currently that's easy to say. I don't think anybody is looking for that assistance until we get a process that complements what we're doing because as soon as we get something then other people want to have control or some control. I don't mind them having 50 per cent of control, as long as I get 50 per cent too.

DR BYRON: One of the other things I wanted to bounce off you, and as a councillor you might know about this, Janet, but the municipal council in Victoria told us that a lot of the municipalities in Victoria give rate rebates on remnant native veg. The only one of the 78 that I think has a very different type of approach is Surf Coast where they have somebody that actually goes and looks at all the native veg on freehold land and they actually work out a payment. They write a cheque to the landowner based on the area of native veg, it's biodiversity quality, whether it's rare and endangered or something else and then they give a bonus on top if there's a covenant over it. But the incentive structure that that's designed to give is that if next year you've got a few more hectares of it, or if it's of better quality, conservation quality, you actually get a bigger cheque.

That seems to me to be giving land-holders the right sorts of positive signals to want to look after it rather than see it as a problem they're trying to get rid of. It may well be thought that Surf Coast is unique, that you've got a very small amount of freehold native veg and - - -

MR BLAKE: I'm glad you said unique.

MS BLAKE: Yes, it is a bit quiet.

DR BYRON: - - - you've got a huge, fairly affluent rating base who can afford to pay for it. So it may well be that even if it works there it probably can't be copied across all the other municipalities in Australia.

MR BLAKE: Can I just say something before she does because she won't be allowed to: they are broke.

MS BLAKE: The other thing is that they've got, as you said, an affluent rate base.

MR BLAKE: Surf Coast is broke.

MS BLAKE: They've got an affluent rate base and I would say that they have a large proportion of not-for-profit farmers within their farming sector. The other issue that we've actually looked at as a municipality - we've actually looked at how we're going to tackle this issue. We looked at it when we were first selected in about 96 and with the volume of native vegetation that we know we've got within the municipality and the low rate base - we've got the lowest rate base in Victoria - there

was absolutely no way. All we were going to do - I think we were going to take off a 15 per cent farm rate, farm rate subsidy, which I think yields something like \$214 for our sized farm and we were going to give back 14 bucks. So we thought that was fairly uneconomical.

Just recently we've had another look at it and we're about to review it again next year but our view is that we still have - because we have a low rate base we still don't have any better process than having a farm rate subsidy that will get - that will equitably service everybody. We still don't see that rate rebates are the way to go because the other thing you've got to do, even if you have a system like Surf Coast have got, it's officer time. You've got to employ another officer to go out and verify stuff. So, I mean, it doesn't just cost you in rate revenue, it costs you another officer and in our case it would probably cost us two or three. We haven't got that sort of money to throw around. We'd rather put that into spraying a few roads and trying to get rid of a bit of phalaris.

That's why I say that in my view, you know - there's people like that fellow Young, Binning and Young in Canberra, they keep waffling on about farm rebates and rate rebates but they're not looking at the big picture. In my view we could do something. We could have it through the income tax system. It would be fairly easy when you have the rate revaluation, because most of the - on rating bases they have the Cadastral maps and you could put up our big paddock, you could put it up as it was originally which was 400 acres, you could look at the potential for income generation from the paddock that's been cleared and the potential for income generation from the paddock that hasn't been cleared and you could possibly have an income equalisation for the loss of income. It would be fairly easy to work out and you could review it, say, on a 10-year basis. You could verify it through the farm rating system but it has to be generated out of the federal government system.

They're not going to look at it. It's too big picture. If you get up into New South they've got too much and really and truly, as you said, treasury don't like letting go of too much money and they know it's going to cost a lot of bucks. That's why we're saying we really need to identify the most significant - if you identify the most significant - and then possibly give some incentive to maintain that, and I think it has to be done federally, and from then on it's got to be trade-offs; a balancing act.

PROF MUSGRAVE: It has to be done at federal - it would have to be administered locally.

MS BLAKE: Locally.

MR BLAKE: I think the problem - I worked in Queensland in all the Mulga country, the Mulga Plains and that. If you start looking at that you're talking - because they're already claiming themselves as non - what is it?

MS BLAKE: Non-viable?

MR BLAKE: They use no chemicals or superphosphate or what's the - - -

DR BYRON: Yes, organic.

MR BLAKE: Organic. If you look at the organic process, three-quarters of it is in Queensland and the Northern Territory because that's the way it is, it's just natural. There's a real problem from the fed's level as how do they take into account all the Mulga Plains and all the Northern Territory, you know. It becomes a huge nightmare.

DR BYRON: Yes, Mitchell grass.

MR BLAKE: But look, in terms of what we're saying is that we want some say, we want to be able to prioritise the areas of importance on our properties and there's no reason why you can't do that from farm to farm, where there's a lot greater negotiation process within the farmer and the bureaucracy. Look, it already happens for those issues in the Weekly Times that I talked - they go out and they can patrol it on an individual basis and present summonses so why can't they do the whole process on a one-to-one basis. You know, they tell us there's not many of us left so it's no big deal. Look, they're out there. The people just want some freedom to be able to make some decisions without all of the interference we're getting at present.

You know, there will always be the black sheep. Don't worry about that black sheep. They're not necessarily small farmers, they're not necessarily always corporate but, you know, if we go broke because we're not allowed to farm, a corporate fellow comes in and buys it, I don't think - he won't worry about paying the bill. He just pays the fine and says, "Too late, Jack, it's all over." You know, he's cleared the lot and says too bad. So, you know, corporate's not all that - not the answer neither. So look, we as farmers, we respect what we're doing. There is a change philosophy that nobody seems to recognise - - -

MS BLAKE: Except you blokes.

DR BYRON: We've been saying everywhere we've been that one of the most frightening things is that every landowner and land organisation that we've spoken to in the hearings and all our farm visits and everything else, they're talking about themselves - they use different words but it basically means, you know, "We look after the land." Environment stewards or - "You know, we don't want to leave a clapped out country to our kids to inherit," those sorts of things. And yet there are a lot of state government regulatory agencies and environmental NGOs who have a completely opposite point of view which is basically that land-holders are ecological

vandals and unless we have stricter controls they're going to bulldoze the last tree in the country et cetera.

MS BLAKE: I think part of the - - -

DR BYRON: No, but it makes it very difficult to have a constructive discussion when there's so little trust and it sort of degenerates to people sort of hurling insults at each other rather than sitting down, but I think in the long run we have to be able to work together.

MS BLAKE: I think the other thing is that there has to be recognition that whilst many farmers haven't got a university degree they have. They have.

DR BYRON: University of the real world school of hard knocks.

MS BLAKE: Yes, they have, because they've got a very - a lot of people have got a very good understanding of what they're dealing with and what they're handling. They mightn't know the biological or botanical names of plants but they know what they are, they know the value and they have valued them so I think that some of the issues that I encounter from time to time, is that - and if you look at the recent appointments to catchment management boards in Victoria, there are an awful lot of doctors - I'm not having a shot at you - but there are a lot of scientists that have been appointed to boards who happen to own a bit of land so they can be classified as a farmer but where are the real farmers? Most of the farmers that I've had a look at on some of the boards they've got an agricultural science degree. That's fine. But there are common or garden farmers like ourselves who actually do know something.

MR BLAKE: Remind me to touch on research and development - - -

MS BLAKE: But the other thing I was just going to say, we were talking about the theory of the feds running the show. I've actually written a paper on that. If you like I'll email it up to you.

PROF MUSGRAVE: Yes, send it in to Vince.

DR BYRON: That would be good, thanks. I think we might have to pull the plug on the time.

MS BLAKE: You might have to. We're out of time.

DR BYRON: But one last thing, when you're talking about not-for-profit farmers, I have to say that as a kid I lived on a not-for-profit farm. It wasn't meant to be. It was supposed to be for profit but it turned out to be a not-for-profit farm so we didn't stay there too long. But, yes, that was an unintended - - -

MS BLAKE: A lot of us are not for profit.

DR BYRON: Yes, and it's not deliberate. Unless you've got anything else you want to say to wrap up?

MS BLAKE: No, thank you very much for your time.

DR BYRON: Thank you very much, and for the PowerPoint presentation.

MS BLAKE: I'll actually send you up the proper job when we sort out the technical problems.

DR BYRON: Good luck with the virus.

PROF MUSGRAVE: Yes, tell us if you've found some software to kill it.

MS BLAKE: I'm hoping we have or we will have lost the lot.

DR BYRON: We've now got a presentation from the Victorian Apiarists Association. Gentlemen, if you could just make yourselves comfortable, settle in, and then when you're ready, if you could just introduce yourselves, name and affiliation, for the transcript, so that they can recognise whose voice is which, and then - we've got your submission, we've had a look at it - if you just want to sort of summarise the main points and then we can have a bit of a discussion about it. Thank you very much for coming.

MR BRIGGS: A pleasure indeed. Thank you, Mr Chairman. My name is Linton Briggs. I live at Glenrowan in north-eastern Victoria. I'm a lifetime beekeeper and farmer from that area. I'm appearing on behalf of the Victorian Apiarists Association, which is the peak industry body in this state. In another life, I was chairman of the national peak body and its CEO for a time. The beekeeping industry in Australia, truly a primary industry in its own right, is a little bit off the mainstream of conventional agriculture, but there's quite a synergy between a lot of the problems affecting primary industry generally with the beekeeping industry, and I guess where we're different - in terms of our primary industry natural resource, it's vested mainly in the native plants of this continent in particular, growing both on public land and freehold land, and the focus of our discussion today, Mr Chairman, will be, as far as the continuing access to our public land access, and in particular the conserved estate. Thank you.

DR BYRON: Okay. Sorry, just to interrupt you for a moment, you appreciate that our terms of reference for this inquiry are particularly looking at the native vegetation and biodiversity conservation legislation that applies to - - -

MR BRIGGS: Freehold land.

DR BYRON: - - - private lands. Well, both freehold and leasehold, and I guess leasehold is in between the two.

MR BRIGGS: Indeed.

DR BYRON: But we're not set up to look at land management practices or vegetation controls on public lands such as state forests and national parks. I just thought it might be important to clarify that first.

MR BRIGGS: Thank you.

DR BYRON: Sorry, go on.

MR JAMIESON: Do you want my introduction now or - - -

DR BYRON: Please.

MR JAMIESON: But Linton is going to go first with - - -

DR BYRON: Yes. Carry on.

MR JAMIESON: My name is Gavin Jamieson. I come from Ballarat in Victoria. I'm a state executive member of the Victorian Apiarists Association. I'm vice-chairman of its Melbourne section. I've been beekeeping for 27 years. I'm a migratory beekeeper and I shift bees over two-thirds of Victoria. I have a tertiary agricultural background and extension in research - experience Australia-wide. I've worked in the finance sector and was the longest-serving local government environment officer in Australia up until October last year. I have been heavily involved in catchment management authorities and land care movement since its inception.

MR BRIGGS: Okay. Well, the submission we have before you, Mr Chairman, does discuss the question of the utilisation of the public land estate quite significantly. Will you allow discussion in that area?

DR BYRON: Well, I don't want to gag you at all, but I don't want to waste your time either in the sense that things that are clearly outside our terms of reference, we're not going to be able to cover, and so - I mean, some of the matters that you raised about access to use of public lands, I can't envisage a reason why we would be raising that issue in the report that we make to the Commonwealth cabinet. So that, you know, I'm not sure where this is going or what we can do for you. That's my only reservation. But why don't you take us through this anyway and let's see where we get to.

MR BRIGGS: Thank you. Well, if I might draw your attention - and perhaps I could read the few paragraphs that form the focus of our submission to you?

DR BYRON: Please.

MR BRIGGS: At 2.1 of the submission, we note that the inquiry "includes investigation of the impacts of native vegetation regulation regimes applying to" - and we say "both public and freehold land". We apologise if there is a misconception there, Mr Chairman, about where our focus should be, but we advise that the submission is therefore primarily focused on the working of the forested public land estate by the Victorian migratory beekeeping industry. I should mention that we do, of course, work freehold land quite extensively, particularly the woodland estate, and I guess in the terms of this inquiry, there's some overlap there where you have legislation and regulation governing the management of such land on freehold property that could ultimately affect us.

This submission has asked the commission to recognise the critical economic dependence of the Victorian apiculture industry on being able to maintain access to native forest systems on public land, including the expanding conserved estate - that is, parks, et cetera - and there is certainly, Mr Chairman, a synergy between that proposition and the welfare of agriculture and horticulture in Australia that is drawing its revenue from freehold and leasehold land, as I think our discourse will show very soon. And (b):

That the maintenance of access to native forest systems in Victoria and interstate, now and in the future, can be clearly demonstrated to be in the public interest -

and that would apply to freehold land as well - and:

that such access can continue to be authorised by legislation and regulation without compromising public land management objectives of nature conservation.

I think, Mr Chairman, at this stage I'd probably like to table some documentation. You will determine how relevant that is, I suppose, after you've examined it. Again, we apologise for not getting it to you in advance, or much in advance of the hearing. Those documents are in fact a Gibbs and Muirhead study, independent study of the industry in 1998, which discusses the public interest question as far as apiculture in Australia is concerned. It discusses the value of the industry, not only in its farmgate revenue but of course its external benefit to the community, its impacts on the environment, its resource needs. That particular document is tabled.

The document Briggs and Keith 1996, which is the policy document of the industry in regard to its scientific evidence as far as why it should maintain access to our public lands, and again, the evidence there is, we believe, fairly compelling, Mr Chairman, in regards to the case for continued access. We also table a document which is a summary of the recent update, as referred to in our submission, of the value of honeybee pollination in the agriculture and horticulture industries of Australia, which has just been published, June 2003, and which of course assesses the value of honeybee pollination for agricultural and horticultural crops expressed in terms of increased crop yields to an amount of 1.7 billion per annum in Australia, and discusses how certain streams of agriculture and horticulture are dependent on this service of honeybees for fertilisation of crops, extending further to such things as the decline in horticultural and agricultural production that would follow, given deprivation of access to our natural resources wherever they may be, freehold or public land.

Extending to the sort of job losses that would occur in the community should

this come about, to quite some significant numbers - this again is an independent study, although conducted under the industry's research development corporation committee, the Honeybee Research and Development Committee. Some of those figures are quite interesting, and I think will interest the commission when you're looking at further losses of the order of two billion and 11,000 jobs and that sort of thing. We table that document. We also table - and you've already indicated that you would have very little jurisdiction in this particular area, and it's the just-published regulatory impact statement, National Parks Regulations 2003. While there's not a lot of mention of the apiculture industry in that, there is some mention, and we are somewhat concerned on pages 49 and 50, at 1.3, it talks about the impacts of the regulations. It talks about the key groups affected by the draft proposal at attachment 4, and among the key groups that are likely to be affected or could be affected would be some primary producers such as graziers, and beekeepers may be affected adversely.

DR BYRON: Sorry, this is where the threat of denial of access comes from?

MR BRIGGS: Yes. As you would be well aware, the prime responsibility of national park managers and governments, consistent with community expectations, is to conserve more and more of the public land estate, and indeed native vegetation on freehold land, and where perceived threats are there, because of impacts of, in our case, an exotic organism, the European honeybee, then they have the ability under the legislation to deny access. Access has been getting harder and harder over the years, and we've been feeling the pinch quite a bit. We note those few words in this particular voluminous document and we are apprehensive looking to the future about how - given that the conserved estate is likely to continue to expand, how is that going to continue to affect our viability, how is it going to affect our ability to provide the crop pollination services to horticulture and agriculture that is becoming a more and more important dimension in this whole primary industry thing in Australia, very critical.

I mean, an inevitable consequence of honeybees being absent or severely depreciated in numbers in the horticultural and agricultural scene, you would find, for example, an immediate effect would be because of the dependence of the crops of the Old World on its natural pollinator that evolved with it in the Old World and elsewhere in the Old World, that transported those crops to countries around the world, including Australia, its natural pollinator, the honeybee, coming with them, that you would have enormous effects. Those crops would not produce to the potential that we've been accustomed to seeing them produce in Australia. We'll take the almond industry, a very important and expanding industry in Australia. Right this minute, we have tens of thousands of honeybee hives commercially contracted to go into the riverland, the Murray riverland, pollinating almonds, without which not one almond would be set. They're 100 per cent dependent on honeybees for pollination.

So immediately you would see all that translated into, for example, lower food production in Australia. An effect of that would have to be price rises for consumers for food. You would have to see drops in export revenue for horticultural products and so on. All of that is very well articulated in the documentation I have placed on the table this morning, but that's - okay, we work public land. I suppose something like 60 per cent of our operations would be conducted within public land round Australia, given variations within states, and about, say, 40 per cent on freehold land. There's a wonderful relationship between farmers and beekeepers. Farmers generally, I think, see beekeepers as being very helpful to productivity. You have some, for example, pasture species totally dependent upon honey bees for pollination.

We take the white clover - specially adapted by nature, evolved with the honey bee, without which the white clover would not set one seed. So there is a remarkable synergy there and there is a remarkable story there to be told that is not generally well understood around the community.

So I table that document, Mr Chairman. We have not fully assessed this document. We haven't been through it thoroughly. But we would beg the opportunity to come back to the commission in the future and talk about some of these things in greater depth if that opportunity could be provided. We would also like to foreshadow that we would like to lodge perhaps another submission with the commission and I understand there is some sort of a time line involved here - by about September or something like that - towards the end of September.

DR BYRON: Yes, well, the earlier that we get a submission, the more time we have to digest it and to think about it and to weave it into the report. Occasionally somebody sends one in the night before it goes to the printer and then they are a bit disappointed that we haven't used it. You understand what I mean.

MR BRIGGS: I do understand. Gavin, perhaps you could - - -

MR JAMIESON: My background, I know the blokes, I know their property, and many of the properties that's - probably going to be learning about after lunch from the VFF. I, as a beekeeper, over the last 30 years or thereabouts, have seen a great number of native vegetation conflicts and having worked in the bureaucracy for the last 18 and a half years, I think I understand something of the dilemma the bureaucracy has to achieve the stated aims of COAG and the state and federal governments' wishes.

But it came to my notice yesterday that local government in Victoria had a new set of regulations published on 24 July regarding native vegetation and there hadn't been consultation with local government about that. So certainly there is a lack of

effective communication and I have handed up through your officer the relevant sections of that out of the Victorian scheme. Whilst that is not complete - they are still working through parts of it, it is a staged process - if the local government officers who have to carry this out and the DSE officers who have to carry out - and the farmers don't know about it, but somewhere in the bureaucracy it's happening and then it's happened by Government Gazette.

Another example of that for beekeeping which I didn't know about until yesterday was one which says - and this is under the state section of the planning scheme, that the state planning provisions framework clause 17, which I haven't handed up because I didn't have another copy, but I will give it to you - is 17.1, 17.11 and 17.12.

In considering a proposal for apiculture, responsible authorities should have regard to the apiculture code of practice May 97.

Previously it was a requirement to consider that. Without notification to the apiary industry in Victoria it suddenly on 24 July, without notification, has been deleted. So a requirement to act responsibly has been summarily buried and we have got this final statement -

and any relevant scientific reports.

So if somebody comes up with a relevant scientific report in their mind that apiculture is damaging to the natural systems, biodiversity and native vegetation survival, a planner who is usually not skilled at - in my experience - adequately skilled at making a judgment as to the relevance of that scientific report, and often counsellors are also not in that position, then apiculture could be denied on that land.

Having worked in the bureaucracy - and I know that this was proposed many times - perhaps now you see perhaps some of the sorts of things that Linton has been talking about and the apiary industry spent 3 and a half thousand volunteer hours over five years to get this code up. It's the first time anywhere in the world it has been done - to try and have responsible beekeeping both from an ecological point of view and from a human interrelationship point of view, and it now appears that that has just suddenly been buried - a perverse outcome, in my mind.

DR BYRON: Any idea why?

MR JAMIESON: I couldn't put that on the public record. I have tried to be as polite and say the extreme green and those who prescribe - and very dedicated to the precautionary principle, "When in doubt, say no." I'm not sure whether you have a copy of my notes, have you? I think there are copies for both of you but - yes, right. In these notes that I prepared the incremental losses of native vegetation is something

that is not I think recognised by the Commonwealth or it is not being addressed by the Commonwealth under EPBC Act and/or by the Victorian planning provisions in the Catchment Land Protection Act.

An example of this might be where the planning scheme in Victoria zones land for industrial use and/or, say, residential use. I'll give you an example in Ballarat: state government owned the land; Country Fire Authority; kangaroo grass land - because it was zoned industrial, the whole lot of that kangaroo grass land, the only remnant of kangaroo grass land close to the urban area of Ballarat but still within the urban area, was just bulldozed. There was no - because they are exempt - it didn't have to be preserved.

Now, that's just one. Then if you take the Mount Helen example of a bush area - yes, much degraded after mining and firewood, probably until about the 1960s - because it's zoned for residential use, once subdivided, every last vestige of native vegetation has no rights to exist whatsoever. So that's incremental loss and it's happening right across Australia by one means or another - little bits here, little bits there.

We tend to talk about clearing and permits but then the Commonwealth exempts itself from the Victorian regulations. The Minister for Health, the Minister for Environment and the Minister for Education exempt themselves from the regulations in Victoria. So I am perhaps being a bit cynical - do as I say, not do as I do - but if we are really serious about native vegetation retention, wherever it is - and we have got the issue between regional significance and national endangerment.

It has been my experience - and I'm sure Linton would back me up on this - that beekeepers frequently know of regional communities that are not represented anywhere else on this earth's surface, but they are not regarded because they have got particular aspects of that community that is different from all others elsewhere. They have red hair and everybody else has black hair. Whatever it is, they are different.

So the simple way of saying, "Where is the endangered species?" - EPBC Act comes into being - but if you then put EPBC sites up onto a computer screen and then you were to put beekeeping sites up on the screen and if we were seen to be an endangering process, which some would like to promote, therefore there will not be a beekeeping industry, whether private land or public land, if that was enforced. That's fairly threatening to a whole industry.

DR BYRON: I must admit, I had never thought of the European honey bee as a major threat to Australia's national parks, but obviously there are some people who do.

MR JAMIESON: Every state of Australia for about the last 20 years - since a very

well-credentialed individual by the name of Harry Butler decided that he didn't like bees down rabbit burrows on Rottnest Island and he started promoting that bees were bad because they stung people. Well, okay, horses bite, snakes - you know, whatever. So we've been tarred with the brush by some people and then they've looked at why we're there. The Grampians National Park, 28 years ago there were 256 sites in the national park. Now there's 100. Only after a lot of screaming and kicking we sort of back up. Even though the legislation in Victoria said 100 it had got down to 27 sites. So we're constantly having to re-invigour ourselves to argue our case, to get back in. By one regulation or management practice or another, we're removed.

DR BYRON: There's more state forest become national parks or state parks.

MR JAMIESON: Bigger headaches.

DR BYRON: You get the same problem again.

MR JAMIESON: Yes, and then the Planning Scheme issues where before we started the code of practice negotiation 52 per cent of all zones throughout Victoria prohibited beekeeping. Agricultural zones, farming zones, rural residential zones, forest, public open space prohibited, and that was why we spent so much time with the Victorian government to get this code to act responsibly and to get something which was enforceable, and now as I understand it, it's no longer enforceable. Now, that was done by default. It defined agriculture as growing crops and having animals. But apiculture didn't fit. It didn't fit under the definition. So we were prohibited by default, not by intention.

But then there were other councils, the old Corio Shire before amalgamation, they prohibited any bees' hives within five kilometres, three miles, of the national park boundary - never enforced it but that's not what an industry should base itself on, the legal occupation of land.

PROF MUSGRAVE: So you're saying that there's no scientific evidence that convinces you that there is a reason for this.

MR JAMIESON: It doesn't convince the Commonwealth government in their special report, not our report. This is David Paton. Can you talk about Paton's report?

MR BRIGGS: I can talk about the scientific evidence generally, Mr Chairman. It's well articulated in the documents that I have placed on the table. The issues that are beginning to concern us here are all flagged. The response by industry to those concerns, in a scientific way, and through the outcomes of research programs clearly demonstrate that the activities of the migratory commercial apiarist moving his

operation around the natural environment on a sporadic basis - sporadic because it's tuned to the sporadic flowering characteristics of principally a eucalypt species in this country. It's clear that the operations of commercial migratory apiarists is compatible with the objects of nature conservation.

I think the evidence is very compelling in that regard and indeed that particular policy document I refer to concerning access to how a native - particularly our public lands but also our freehold lands, is very, very compelling that it's completely compatible and further evidence is continuing to emerge corroborated by, strangely enough, overseas evidence and that policy document is in the process now of being updated to that extent, which we've indicated to you. I was interested to hear a previous witness, Mr Chairman, saying things about the natural environment and how well tuned indeed many farmers are to the natural processes around them, to the need to conserve, and it struck a lot of empathy with me and I know Gavin too, because beekeepers have been in the vanguard of the conservation movement into Australia. Why?

Their farm, their resource, depends on gum trees standing up and they're very much in tune with the need to conserve and have become, because of their craft and in Australia, they need to become experts, not in perhaps a scientific botanical sense across the whole mainstream of the industry but in the practical observation of the characteristics of our native flora, how they respond to climate, how they respond therefore to growth, to budding, how to convert that observation to a cash crop, very much in tune with what a previous witness was talking about, so much so that some of our people - Gavin, for example - has a special interest in seeking out new varieties of native plants and eucalypts; myself, for the last two decades, two new eucalypt species, because my work has entered the Australian literature now, and several more under investigation. So there is a great empathy with the need to conserve, a great understanding, about all of that.

We work wherever possible as closely as possible with the conservation people and those ecologists - all ecologists, but particularly those ecologists who see us as a threat; some of it perhaps a little bit ideological about a commercial realisation from a public asset, sure, but a lot of the opposition coming from people who genuinely believe that the fox and the cat and the camel and the dog and us really have no place in the natural systems, and we fight very hard against that.

DR BYRON: I've been trying to think through your position about whether or not you'd like to see greater conservation of native vegetation on private land, and I imagine that you would, provided you weren't then denied access to it.

MR BRIGGS: Absolutely. We're members of Landcare; I'm prominent in my own Landcare movement in north-east Victoria, yes, my word.

MR JAMIESON: I assisted professionally - but even before there was a profession involvement - the local government in the formation of 11 Landcare groups and the catchment group that Kevin was the chairman of, so yes, actually involved in that and getting people to enter vegetation programs, understand where the seed sources are, not to confuse the species, to get both species, 10 species, whatever it is, so that we do have a community role in that field. But as I've said in the second-last paragraph on the second page:

I've personally contributed to the recognition of a new species, now called *Eucalyptus wimmerensis*. Subsequently beekeepers have been excluded from the area around the public land on which the original cluster of trees stands.

Now, I am saying these species produce prolifically very valued honey, but should I continue to notify the botanical community of these special species when it results in immediate exclusion from access? The access of that particular reserve in the West Wimmera had been going on since the 1930s, but as soon as it got a name, beekeepers were out. Who knew about it? Beekeepers.

DR BYRON: But obviously all that utilisation of that stand since 1930 hadn't harmed it, or was there any evidence - - -

MR JAMIESON: There's no empirical evidence to say it has. It's there despite that occupation.

PROF MUSGRAVE: You raised the precautionary principle in that context. The use of the precautionary principle is a pretty pervasive theme in this inquiry as you would expect.

MR JAMIESON: Yes.

PROF MUSGRAVE: Have you got any comments to make that might be of interest to us about this use of the precautionary principle, the interpretation of it, the implementation of it, as to how it might be changed to get us better outcomes?

MR JAMIESON: That's a challenge.

PROF MUSGRAVE: It is indeed.

MR BRIGGS: I think there's a very good case to discuss the question of access by honey bees to our native flora estate on the evidence that - okay, it's important to be careful and we understand the reason for the precautionary principle, of course we do, but when you examine the evidence, the scientific evidence, investigating the impact of honey bees on the reproductive success of native flora and fauna, the

evidence is not there as far as the migratory commercial apiary.

Let me give you an example: one of our most important floral resources in southern Australia is the river red gum, known to us all as that icon of the Australian environment that we all love so much - the lot of us, everybody. Growing of course across a vast expanse of our nation, it produces a prime tabled honey, one of the most delicate flavours and aromas you could imagine. It produces a very high quality protein in the form of pollen which you would recognise immediately as I speak which of course is the food source for the developing young honey bees - not so much the adult bees, the young honey bees - so it's very much sought after by commercial beekeepers. That particular species of eucalyptus historically, it's certainly declining as a resource now as we move through the decades for a number of reasons - we suspect drought, we suspect salt levels rising - and there are a number of reasons, but it's a tree which like many of our eucalypts, we've said how sporadic they are. It has a flowering period of about six weeks. That's pretty much for most of the eucalyptus species but not all of them, they do vary, but let's say that's a rule of thumb. On average historically, it flowers about every third year in a general sense. We don't understand the stimulus fully; we understand part of it, the story, why a particular provenance of eucalypts will all bud together, bang, like that, and then for three or four or five or six or seven or eight years, there won't be a bud or a flower on them.

But for the purpose of my discourse here now, let's say they flower every third year and you have six weeks' flowering each time, so over a 10-year period, you would have 18 weeks of flowering, 18 weeks of working by beekeepers, commercial beekeeping, out of a total of what, 520 weeks, for goodness' sake. It would be a period when there would be an abundance of nectar which is the origin of honey, an abundance of nectar and pollen that is harvested by the honey bees, not all of it. A bit is nipped off and goes into the pockets of commercial beekeepers and on the tables of consumers around the world, including Australia. The scientific evidence shows - and the policy document here will show that - that in those times of plenty, it is absolutely positively shown that there's no impact on the reproductive success of, for example, native bees in Australia. We have something like 3000 species of native bees, mostly solitary in Australia, and they're regarded by the scientific community as being perhaps the best barometer of impact of competition from, for example, honey bees.

The only study ever done in the world was done in south-western Victoria in the early 1990s. It was performed through the La Trobe University. It had international oversight from the University of Minnesota, the world expert in native bee reproduction. It was funded by the World Wildlife Fund. The Victorian Apiarists Association was prominent in the setting up of the design of the experimentation over a two-year period and to the credit of the researchers, they took on board all of that practical experience. We saw just how important it was to

become involved because if design had not been changed to suit the real world, there would have been bias, certainly against commercial beekeeping.

The outcome - and I'm coming to the answer to your question - of that study showed that under that regime of migratory apiculture that's practised universally in Australia, more so than anywhere else in the world, there was no adverse impact on four species of native bees, rich in native bee fauna, that Portland area, absolutely no impact; in fact, reproduction improved in the native bee species. We were able to say to the researchers before the experimentation that this would be a likely outcome because of our experience in the environment and working with the environment. We had in advance said, "Look, under those conditions of plenty, there would be plenty of food for all. There would be less predation by natural predators like dragonflies and birds and ants on native bees and on their nests because of the plentiful resource," and that is exactly what happened. The reproductive success of the native bees was enhanced, and yet we've had some ecologists say, "Yes, but look, that's a perturbation. Because you were there, the reproductive success was improved, and we can't tolerate that," a nonsensical argument which didn't win many admirers right across the scientific community.

So the answer to your question is that that's a demonstration of the impact of commercially managed honey bees and a demonstration that the impact is not there, that is feared by ecologists. If a season went bad and a migratory beekeeper was in a particular spot and resources started to become limiting of the natural nectar and pollen, then it behoves that particular commercial operator to protect his investment because he's got considerable investment, maybe half a million, maybe a million dollars in his industry, to pick up his bees and get to another forest system where in fact the resources are not limiting, so the imperative is there to be so tuned to your natural environment. As a farmer, I know what it's like to look out in the morning after planting a paddock of oats and see 500 cockatoos on it. You think, "How the hell did they know?" Beekeepers are a little bit like that, you see; because they're in tune with the environment. We know - Gavin and I know would know this minute - where we will be to the inch this time next year because we've read the Australian environment and we know that 500 kilometres down there, there will be a resource that has a potential to produce a crop. Sorry about the long-winded answer.

MR JAMIESON: There is another example; I'll be quicker.

PROF MUSGRAVE: Is there a contest between you?

MR JAMIESON: No. Basalt plains, Western District, Victoria, remnant stands of eucalypts along a creek, really just about dead. Individual, rare, extinct and/or endangered species of plants, the only pollinator now for those plants for the successful reproduction of those - this is unpublished work, and I could refer you to the research but unpublished unfortunately at this stage - the only place that these

plants were reproducing is where European honey bees pollinated them. Again, we're seeing "adjacent to endangered species" as bad, and that's La Trobe University, the Melbourne campus research team, funded by the Commonwealth, the research that was being done but not needing publication, looking at where these plants are and that's what they found, that European honey bees were creating the stimulus for the survival of those species where there were remnants.

DR BYRON: So to answer the question - and from your paper there - I think it does fit into the definition of a perverse economic and environmental outcome.

MR JAMIESON: So we are relevant to the inquiry - God bless you.

DR BYRON: Absolutely. I was also thinking about some of the other categories of public land that have come into this inquiry where native vegetation regulations have affected whether or not to clear roadside remnant and native veg, and that's public land. So we're allowed to look at some types of public land in some circumstances but I don't think we have a mandate to tell national parks who they should or should not give access to or why. But I think the general point that we'll be making particularly on private land could be something along the lines of, "If you're going to impose significant economic costs on someone in order to enhance the environment, you should be pretty sure that it will actually enhance the environment," not the reverse.

MR JAMIESON: Thank you. That's great. That's supposed to be a regulatory impact statement; they then don't evaluate the economic results of the regulations. They have frequently told us, "You can go elsewhere and if you can't find anywhere, don't bother us."

PROF MUSGRAVE: Is that a Victorian document?

MR JAMIESON: Yes, but this is mirrored in every state.

PROF MUSGRAVE: It's actually done. I know of some - the intention is to undertake regulatory impact statements where the intention is not on it.

MR JAMIESON: Yes. The motions are there but actually evaluating the economic results of the regulations are virtually never examined. Now, in terms of roadside vegetation - as far as Victorian beekeepers, it's probably between five and seven years of drought - frequently the only reproducing trees in terms of flowering in cleared land and/or forest-adjacent land is the roadside trees because of the extra run-off off the roads. So our dependence on that remnant - and in many cases it's the only remnant - in the West Wimmera shire, of which I believe you've had a submission - - -

PROF MUSGRAVE: Yesterday, yes.

MR JAMIESON: - - - but I suspect that was a particular cockatoo that you were talking about and not much else - - -

PROF MUSGRAVE: It did come up.

MR JAMIESON: - - - but north of Kaniva, there's in the process of seven new eucalypt species being identified just on roadsides, and that stems on from this Eucalyptus wimmerensis work that I was involved in 20 years ago. So there's remnants there; if a beekeeper sees it's flowering and it's not the normal time of year that it flowers, most beekeepers would stop and look at it and say, "This is not normal, this is not that species that we think it is." This is East Gippsland to the Mallee. It's uniform, isn't it?

MR BRIGGS: That's right. Mr Chairman, finally perhaps - I know time is pressing on - bearing in mind your advice about how far you can go with your recommendations, is it possible however for the commission to recognise in some form, in the preamble or whatever, leading to the framing of your recommendations - and I guess we have established some need for consideration by the commission so far as freehold land is concerned - those essential elements that are in that second chapter of our submission, the focus where it seems it would be appropriate to recognise the critical economic dependence of the industry on the public land estate and the freehold land estate.

DR BYRON: I think that point is well made.

MR BRIGGS: And those other two points there, that the maintenance can be clearly demonstrated to be in the public interest, obviously the evidence is overwhelming and it's not well understood by the Australian community. We preach it as often as possible in the places where we go, as you would imagine, pleading our case for access, almost on our hands and knees at times. If that could be recognised by the commission, particularly so far as its significant flow-on to the economic viability of horticulture and agriculture in Australia - and we're not being sensational here. I think you will be impressed by the evidence when you read it. Also, it's important for our industry for the community to be made aware across a wider audience that the working of our native flora can be done with safety, without compromising public land management or freehold land management objectives as far as nature conservation is concerned. If somehow that message could be got through, you would be performing for this industry an enormous service.

PROF MUSGRAVE: We'll make a deal. If I could get back to the precautionary principle, you are an industry which seems to have focused on it as an issue for you to a greater extent than perhaps some other industry groups have done. If you have

any thoughts about the application of the principle which could help us think generally about the issue, that would be very welcome. The example you gave to my mind highlighted the fact that rather than blanket application of the precautionary principle in relation to access of the bees to public lands, a more detailed assessment of the situation might have led to a more cautious application of the principle, in particular the nomination of triggers that are sensitive to local and temporal circumstances, rather than some sort of coarse broad application which does damage to individuals needlessly. That's just a response I had to what you say and it might be a silly response because I'm not really - - -

MR JAMIESON: No, it's triggered a thought in my mind, if I may. There's a thing called the Reference Areas Act in Victoria and the Wilderness Act and the Heritage Rivers Act. We are not allowed to place bees within two kilometres of a river bank where the river is regarded as a heritage river, but graziers are allowed to graze right through the river, crop to the bank of the river and out the other side, a perverse outcome. There's something somewhere in the bureaucracy that says, "All bees are bad everywhere."

Now, in the case of the Reference Areas Act, we accept as an industry, reluctantly but we accepted it, that reference areas should be a biological wilderness that would be there for study and for survival and study of mechanisms later - who knows when but at some time later. Again, without consultation, without consideration of the effect, a reference area suddenly had a three kilometre buffer put around it which was never in the regulations. So if you've got an area that might only be say 1000 hectares, if you put a three kilometre buffer around it, the buffer is up to five times the area of the actual reserve. No compensation, no regulatory impact statement, no evaluation of the effect on beekeepers. We said, right, if we've got to shift out of here we'll still be able to use throughout but then, "Hang on, no, you're not allowed, you've got to get out." That's been going on since 1979. So it's those saving the wilderness countries there's buffers always put after the event, not put in the public arena when they're making the decisions. Do they - - -

MR BRIGGS: Yes, that's right. And responding, Mr Chairman, to your colleague's question I'll see that further information does come in regarding that. I did have some experience arguing a case that involved a precautionary principle, the invocation of a precautionary principle, in Queensland at a time when the industry was experiencing particular difficulty up there. I will see that that information comes down to you.

PROF MUSGRAVE: I think that would be helpful to us, thanks for that.

MR BRIGGS: Okay.

PROF MUSGRAVE: In return we might be sensitive to your concerns.

MR BRIGGS: Yes, indeed.

DR BYRON: If I could make one somewhat perhaps flippant comment on the - enclosing that - when I first read the relative numbers of the size of the gross value of production of honey and the estimated value of production of the pollination services I thought, "Well, this shouldn't be called the honey industry. It should be called the pollination services industry that produces a little bit of honey on the side."

MR BRIGGS: Absolutely, we couldn't agree more because the public interest question is absolutely enormous and the evidence is there and so compelling.

MR JAMIESON: In conclusion I'll say that the national resources manager for the Australian Honey Bee Industry Council is at an annual meeting of the Australian Pollination Association in Young today and couldn't be here at this hearing. He is going overseas next week to be at an international conference of beekeepers. So this is why - one of the reasons why our submissions have been late because we've been in the midst of those sorts of issues.

DR BYRON: Appreciated.

MR JAMIESON: Good.

DR BYRON: Thank you very much for making the effort and for coming.

MR JAMIESON: Our pleasure indeed.

DR BYRON: Thank you.

(Luncheon adjournment)

DR BYRON: Good afternoon. If the three of you could just sort of formally introduce yourselves and your affiliation for the benefit of the transcript so that they can recognise whose voice is which and then summarise the submission, which Warren and I have both read, and then we can take it from there. Thanks very much for coming.

MR HARDY: Thank you. Ron Hards is my name; I'm chair of the Land Management Committee of the VFF.

MR MANNERS: My name is Clay Manners and I'm the general manager policy for the Victorian Farmers Federation.

MS TISCHLER: My name is Cathy Tischler. I'm the policy adviser for land management at the Victorian Farmers Federation.

MR HARDY: Commissioner Byron and associate commissioner, Prof Warren Musgrave, thank you for this opportunity to appear today and to highlight some of the fundamental problems with use and the interpretation of the native vegetation and biodiversity legislation in Victoria. Victorian Farmers Federation is Australia's largest state organisation, representing 22,000 farmers and 15,000 farming enterprises and our key role is to represent the interests of farmers to government and industry and provide a voice on the issues affecting rural Victoria. I'll be providing an overview of some of the problems with the legislation in Victoria from the farmers point of view and this will be followed by Clay Manners, our general manager policy, and Cathy Tischler, our land management policy adviser providing an overview of the experiences of six Victorian farmers, they being, Reg Holt, Harry Haralambous, Bill and Laurie Boyd, Murray Davis, John Croft and Frank Ruffo from Tripod Farmers. Each farmer will have the opportunity to comment on their issues, but unfortunately Frank Ruffo is unable to be with us today.

Native vegetation management has been a priority issue of our organisation for many years. Our farmers just want to get on with the business of farming and the native vegetation and biodiversity conservation legislation in this state can make farming extremely difficult and has been doing so since 1989. Planning controls to protect native vegetation in this state were brought in overnight with no compensation for farmers. The planning controls impacted heavily on farmers and particularly on a relatively small group who had purchased properties with large tracts of native vegetation with the intent of developing them for farming. There was no recognition of the cost that this requirement was to impose on farm businesses, or the lost opportunities it was to produce. Many people experienced a significant reduction in land value, as native vegetation was no longer seen as an opportunity or a resource, but now could only be seen as a cost.

When the regulations were introduced in 1989, almost all of the large-scale

land development in Victoria was finished anyway. Other than in East Gippsland, some of the Mallee and in the south-west corner of the state, where large tracts of native vegetation still remain on private land, there is no desire or need to engage in large-scale vegetation removal, in fact, farmers in Victoria have undertaken voluntary vegetation planting and protection on quite a large scale where it is needed by our active involvement in the landcare movement. The problems faced by Victorian farmers with native vegetation clearing regulations can be categorised into four main groups. Three are illustrated by the case studies included in our submission.

The first category involves farmers who have large tracts of uncleared land; they have owned the land prior to the introduction of the planning controls in 1989. It has always been their intention to progressively develop their properties by clearing the land. The planning regulations have prevented this and as a result their opportunities for expansion have been curtailed or removed. Farmers must expand their business to survive; the Croft and Davis families are in this group. The regulations restricts these families from expanding and maintaining a viable enterprise. The cost to these families is substantial. We estimate the cost to the Croft family of not being able to clear 450 hectares at about \$30,000 a year in lost crop production. This is a very large cost the community expects them to carry to maintain Mallee scrub, which is well represented in adjoining national parks and it is of limited environmental value.

The second group of farmers are those whose normal farm operations are being impeded by the regulations. The regulations have made the relatively straightforward task of replacing and protecting fence lines on Reg Holt's farm a nightmare. Tripod Farmers have been put to incredible expense to protect three gum trees. The hurdles placed in front of Harry Haralambous, who is developing an orchard on weed-infested country north-west of Melbourne are also incredible. It is unbelievable just how much time, energy and money the Department of Sustainability and Environment is prepared to spend to ensure the protection of a single tree on private property and often it is on a property where there are thousands of similar trees on adjoining public land.

The third category of problems is native grass and the Boyd family have been prevented from cropping 100 hectares of ground at Pyramid Hill. They discovered they had a problem when they were about to rip up the paddock and the gypsum had been delivered. The cost to this family is about \$38,000 in lost cropping potential each year, as against the \$3000 per year which can be realised for grazing on that land. Pending EPBC nomination of western plains native grassland will almost certainly add to our problems in this area.

The final group of farmers affected by the regulations is those who are prevented from harvesting native vegetation for timber for other uses. The

legislation protects indigenous vegetation that is more than 10 years old. Farmers primarily get caught trying to cultivate a pasture paddock or to clear regrowth. Land that has been cleared for agricultural use should be able to be redeveloped for further agricultural use. The planning process is slow, adversarial and often expensive. Farmers shouldn't have to get a permit to lop a tree branch and they should not have to get a permit to value-add on previously developed agricultural land.

The VFF believes that the problems with our current system of native vegetation and biodiversity conservation legislation can be divided up into 12 main areas. These are (1) the legislation doesn't work, it doesn't do what it is supposed to do, which is to have farmers protect native vegetation and biodiversity values on private land. The adversarial system created by the legislation and permit system means there is actually a disincentive for landowners to protect remnant native veg or encourage natural revegetation. Once native vegetation is 10 year old it cannot be touched, so this encourages farmers to engage in a cycle of removing regrowth, in some cases, just to ensure that options for land use are there in the future.

The second one is legislation cannot be complied with. Farmers are unable to meet the requirements of the legislation. Every time a farmer cuts a tree branch or ploughs up a pasture paddock, he should have had a permit; this is impractical. In the same way, those farmers who do seek permits for legitimate farming activities often regret doing so. Simple permit applications to remove a couple of trees more often than not will require significant additional information, at great expense to the land owner and the final decision can take months or even years and forever after the department is looking over the shoulders of farmers, making sure they conform to the rules. Many farmers feel that they are better off just doing what needs to be done and hoping they don't get caught.

The third one is, the rules look the same but they keep changing. We've had the same planning and trials on native veg removal since 1989, but the interpretation appears to have changed significantly to cover a wider and wider range of farm management activities. Over the last 18 months or so the calls to us on native vegetation issues have started to change. No longer are the calls about tree clearing, they are now often about native grasses or tree branches or pest control activities. Often they are calls relating to what should be clear exemptions under the planning scheme, such as the building of fences or the destruction of rabbit burrows. Some shires are now informing farmers that they should seek a permit for any vegetation removal activity and then the shire can assess if they really do need a permit. How can a farmer ever possibly comply when there are so many different interpretations of the rules.

Number 4: the application of the regulation is inconsistent. The regulations are applied inconsistently and can vary significantly from one property to the next. It seems that only someone from the department is able to understand what offset

plantings are required. For example, Harry Haralambous and his lawyer, who is well versed in native vegetation issues, assessed his offset requirements at 2.6 hectares. The department told him yesterday, "It will be a quarter of his property". There is no accountability for shire or departmental decisions. It doesn't matter how long it takes, how many hours are spent or how many millions in lost production it creates. Shires and departmental staff are not required to assess the cost of their decisions or balance costs against the environmental benefits. Is the protection of tree branches on Reg Holt's fence line of great environmental or biodiversity significance; we doubt it, yet it has been over 12 months of discussion and debate about the issue without resolution. What has that cost the taxpayer? A few are paying for the environmental values of many. The benefits of protecting native vegetation and biodiversity are shared by the whole community, but the costs are worn by only a few. Our system is "conserve at all costs". There is no requirement for community or government to assess what it is they value most and in turn determine environmental priorities. Until they do, and are prepared to pay for the protection of these values, native vegetation will continue to degrade, especially in areas where there is no value to the farm business in protecting it.

The focus is on punishing people. The system has no rewards for good management. Farmers like Murray Davis, who fenced off and revegetated creeks, should be rewarded with some flexibility in the system. The process is even more adversarial because councils don't have the resources to enforce regulations on every farm. They largely rely on someone "dobbing in" a farmer who breaches one of the regulations. We are losing out on vital infrastructure and necessary resources. Road reserves and state forests were designed as resources to be used. We now have a situation where road developments must provide offsets of vegetation greater than that removed for road construction, which will add significantly to the cost of rural road construction activities. Similarly, state forests are less and less accessible for timber production and firewood. Victoria faces a real firewood and timber shortage, as private land hasn't developed these resources either. This is largely due to the legislation preventing security of harvest.

Safety is not considered. When a tree branch is protected at all costs, it is only a matter of time before someone repairing a fence will be injured or killed. Once upon a time trees used to be removed in road reserves if they posed a safety risk. Now people just better take their chances, it is now even more difficult for road constructors or maintenance crews to do their job.

Protection of rare and endangered species is done with lines on maps. The lines on the maps which can define species or ecological vegetation classes as rare or endangered are not sophisticated enough to see what's on the other side of the line. The allocation of huge resources to protect one vegetation type in Victoria is ludicrous, when there are thousands of hectares of the same vegetation across the border. This same problem happens between regions within the state also.

Poor policy and interpretation of the legislation will set back the commitment to landcare and voluntary revegetation activities. Some of the best environmental outcomes are done outside of the legislation. These are the voluntary acts of landowners who revegetate or regenerate bushland. Each time another case of stupid interpretation of the regulations appears on the front page of the Weekly Times, where farmers are being punished for what would appear to be normal farming activities, everyone else feels less inclined to undertake environmental improvements above and beyond what is required by the legislation. It can restrict future development options for the land.

There's no security of harvest. This is an extremely important problem created by the legislation. In Victoria all indigenous vegetation greater than 10 years old must be protected. Many farmers had kept remnant vegetation for commercial use later. Caught by the planning and trials, it is now almost impossible to engage in sustainable harvesting activities because of the requirement to provide greater offsets than that of the harvest. Farmers planning vegetation for environmental reasons are considering exotic species more and more because it leaves them with better options later on. Even where harvesting is allowed where the vegetation has been planted for harvesting purposes, there is often confusion about whether it was planted or regenerated when it comes time to harvest.

It is difficult for farmers to assess what it costs us to manage and protect native vegetation on our properties. The farmers who will speak shortly have compiled some back of the envelope figures on what their native vegetation issues are costing their farming enterprises. What we can say is that without a doubt there has been an over-compensation by government for the poor policies of the past. Previous government policies requiring removal of trees from the landscape has caused environmental damage in some parts of the state. These days we see new parks being announced with each election and continuing restrictions on use rights of our state forest reserves. The government provides no additional resources to manage expanded parks and reserves. The focus of vegetation and biodiversity conservation in this state is "conserve at all costs" mentality and often the costs are extreme.

We have just experienced one of the worst bushfires ever seen in this state, which burnt approximately 1.3 million hectares of public land and 900,000 hectares of private land. One of the reasons it burnt so far and for so long is the fact that the government turned a blind eye to the management of this state's public land. The current government policy of net gain is just as flawed as the clearing policies of the past. How can we hope to sustain a net gain of native vegetation and biodiversity whilst also demanding increased food and fibre production? There has to come a point where there are no more areas to revegetate. In many cases already we see that net gain produces no additional environmental benefit. What is the value of planting from 10 to 400 trees on a bush block to compensate the removal of a tree planted in

some other place of it? The clear message for government is that the current native vegetation and biodiversity conservation regulations are not working. Farmers want a sensible approach so we know where we stand. We also want to be compensated for the losses we have incurred as a result of the government taking away the right to manage the native vegetation on our own land.

I'd like now to hand over to Clay Manners, who will lead us in an exploration of some of the practical interpretations of the vegetation legislation in Victoria, and how this is affecting farm businesses. But firstly, have you got any questions for me?

DR BYRON: Not at this stage. I think it's probably best if we keep going and we'll come back.

MR HARDS: Okay. Thank you.

DR BYRON: I've written down a few to ask you later, but Clay might cover them anyway.

MR HARDS: Thank you.

MR MANNERS: Well, what I propose to do is go through our case studies, and when we get to the case study with the individual farmers, perhaps we could bring them up so that they can address the issues that they see. The first case study that we would like though to refer to is not actually related to an individual farmer. It refers to the current EPBC nomination of Western Temperate Grasslands in Victoria. The native grassland communities that have been nominated originally covered something in the order of two million hectares of western Victoria. But according to the nomination documents, the area of remnant grassland has now been reduced to something like 5000 hectares, of which probably about half is on private land, and that was based on a 1986 survey.

An unknown party nominated the Western Native Temperate Grasslands for the EPBC. In our view, the listing process is the dumbest way of all to protect these grasslands. If the nomination goes ahead, farmers will need to obtain permits for any threatening process, and particularly any land use change that has occurred prior to the commencement of the EPBC Act in July 2000. In this area of the state, there has been a dramatic increase in cropping activity and farmers are intensifying their land use, all of which could be deemed to be threatening processes. As our submission notes, there is a strong incentive for farmers who believe that they have remnant native grasslands on their property to fertilise very heavily this year.

We are talking about something in the order of two and a half thousand hectares of private land. That's what we're talking about: two and a half thousand

hectares. It would be far simpler and much more effective to find out where the grassland exists on private land and if the community is endangered, as suggested, then either purchase the land or pay the farmers to protect it. The cost would be much less overall than the total EPBC nomination process, I would suggest. An extension to the Bush Tender program, which I hope you've heard about, in Victoria, would be well suited, we feel, to protecting native grassland, this particular native grassland.

The VFF met with Environment Australia officials to discuss the nomination. We suggested this approach - that is, of identifying the land and talking about the approach for each individual parcel - but we gained the distinct impression that the Commonwealth officials are not particularly interested in practical steps that could be taken to protecting the remnant native grasslands. Their sole interest was enforcing their legislation. Native grass is protected under Victorian planning provisions, and the Victorian Flora and Fauna Guarantee Act could also be used to protect threatened native grass communities, and the proposed listing will simply add another layer of bureaucracy that farmers will need to negotiate in their normal planning activities. That's one issue.

The next case study I would like to go on, which really deals with a real-life farmer, if you like, is what we call Tripod Farms. Tripod Farms operate a substantial lettuce-growing operation at Bacchus Marsh just west of Melbourne. It's a 78-hectare operation employing about 75 people. They supply fancy lettuce to supermarkets and they export the product to Asia. It is, I might say, a very impressive operation. To increase production, they purchased, in 2000, 20 hectares of adjoining land. The new property at that time grew weeds and 11 mature red gum trees. It is important to understand that the company has done everything right. They are well regarded in the area, and this company and this farming family is a very well-regarded farming family in the area, and they are contributors of the local community, and the family value their reputation in the district. For that reason, I think they've endeavoured to do everything right.

Prior to purchasing the property, they sought legal advice and were told that while a permit would be required to remove the native vegetation - that is, the gum trees - there was no relevant vegetation protection overlays in the region that would significantly impact on the area of the proposed development. Tripod Farmers purchased the land and then lodged an application with the shire to clear the trees. You will see from the video that we'll show in a moment that the trees are fine specimens. They add to the visual amenity of the area, but we would argue they have little biodiversity value but they are important in terms of the general landscape.

Following a period of negotiation with the council, it was agreed between the council and Tripod Farms that they would be able to remove three of the 11 trees that were right in the middle of the proposed paddocks, and as part of that compromise,

Tripod Farmers were prepared, at their expense, to revegetate approximately 1.2 hectares of adjoining Werribee River. The Moorabool Council granted the permit to clear, based on this compromise agreement in January 2001. We believe that's appropriate, it's a trade - the council has a responsibility for the scenic amenity of the area. They also wish to see improved economic activity, and a compromise was reached at a local level between economic development and scenic activity, and that is as it should be. The Department of Natural Resources and Environment then came into the act. There is no obligation on the council to refer the planning permit to NRE; however, NRE objected to the compromise negotiated by the council. In our view, NRE's responsibilities lie with broad-scale native vegetation management and biodiversity.

PROF MUSGRAVE: Clay, can I just ask a question at this point. My understanding was that if the - what is the area of land that was involved?

MR MANNERS: The area of land was 11 hectares.

PROF MUSGRAVE: So it was just over the - - -

MR MANNERS: 28 hectares, on which there were 11 trees. Three of those trees were in the middle of the paddock, so to speak.

PROF MUSGRAVE: I just wanted to clarify whether it was under or over the area in which the council - - -

MR MANNERS: No, the actual area of the vegetation was less than 10 hectares. Therefore, it didn't need to be referred to NRE.

PROF MUSGRAVE: No. Yes, that's what I wanted to know. Thanks. Sorry to interrupt.

MR MANNERS: In our view, the state government shouldn't be involved in decisions about individual trees. That's a matter for the local council and the landowner. But of course, NRE objected, as anybody has an objection - has a right to object to a planning permit. So although it didn't need to be referred to NRE, they exercised their right to object. The VCAT hearing was held in May 2001, and it was at this hearing that Tripod Farmers were made aware that on the day of the hearing, the very day of the hearing, during proceedings, the Victorian government had gazette an amendment to the Moorabool planning scheme which created a vegetation protection order seeking to preserve river red gums in the region. The specific provisions of the protection order now required Tripod Farmers to demonstrate that their proposed development cannot proceed without removing the red gums.

The overlay which had been introduced without any consultation with Tripod

Farmers, despite the significant impact this would have on their proposed development - the introduction of the overlay proved the crucial issue in the VCAT decision, and I'll just quote:

If the tribunal was required to make a decision on the basis of the planning controls at the place at the time the responsible authority - that is, the council - made its decisions, it would on balance have upheld the council's decision which required the retention of four of the northern-most river red gums. However, the gazettal of VPO2, the overlay, added a new dimension to the issue and gave strong weight to the need to protect river gums.

Now, overnight the Victorian government effectively introduced further planning controls to strengthen their VCAT case against Tripod Farmers without any concern for their rights or business interests. At the hearing, DNRE sought to justify their objection to the proposal based on the aesthetic values of the river red gums in creating "the impression of rural tranquillity". NRE claims that the community would miss them, particularly in the flat bland paddock which was either ploughed or in full lettuce plants for most of the year. It's unclear why an issue of aesthetics should be of any relevant concern regarding sustainable native natural vegetation and biodiversity management. The NRE also argued that the trees provided habitat for a brush-tailed phascogale, yet at the VCAT hearing it was demonstrated that that particular species was not even in the area.

Following the VCAT decision, there's a long story here, but as you'll see from the footage, Tripod Farmers went ahead with their lettuce production with the trees sustaining. This impacts upon the productivity of their area. The cost of the farm was excessive, and \$52,000 in legal costs. They claim that they've had to make repayments on their loans. They engaged staff on the function that they would go ahead, and they've had to keep staff employed at a cost of \$260,000. They've had some market - lost turnover in their markets and have had some impact upon developing export markets, and the lost opportunity in terms of future levels continues with flowers and leaves falling into the lettuces from the area, and shading and water stress upon the lettuces. If we can just quickly show, if we can, some quick video - - -

MR HARDY: Can I introduce the - - -

MR MANNERS: No, Tripod Farmers aren't here. This is - - -

MR HARDY: No, but the other farmers. Before we get into it, do you want to introduce them at all or - - -

MR MANNERS: I thought we'd do it as we come along, as we deal with each of

them.

MR HARDS: Okay, fine. Yes, okay.

(Video played)

MR MANNERS: Go. You'll have to excuse the camera work. It's very unprofessional. You've got to go back. So that's one of the trees, and we're panning around to show you one of the other - I apologise for the quality. That's another of the trees. You can see that they're quite significant trees in the landscape. We're now panning onto a third of the trees, and this actual tree is in the lettuce. That's Frank Ruffo, the principal, standing - he's pointing out some of the losses that have occurred to the lettuces in terms of the water stress and leave falling on the lettuces in that particular paddock. Frank, although he didn't go ahead with the agreement, he has in fact revegetated the riverside that he undertook to do.

We just have some simple video footage of - this is actually his neighbour's property, and it shows the weeds and willows in particular that are existence on the riverbank, and Frank has in fact - in the midst of a revegetation project, and this is the work that Frank has done, his family has done in terms of improving that particular riverbank. Now, he has done that because he's a good corporate citizen. They're the willows that have been cut out from the bank, and he's got a revegetation program with native species onto that riverbank. But he has done that because he's a good corporate citizen in the area. But, I mean, I think almost anybody else would have told the council, you know, not to continue. But I think Frank has a slightly different approach.

The next case study is Bill Lawrence and Raymond Boyd. Hang on - just some of the things that come out of the Tripod Farmers one. The very high costs of native vegetation regulation - consultants and legal costs cost this farmer \$52,000. I mean, the cost of the shire and the government were probably at least that. The government delayed for 18 months the project, costing Tripod Farmers several hundred thousand dollars. The cost of the regulation certainly exceeds any environmental benefit. The compromise agreement between Tripod Farms and the shire balancing the amenity and the local benefit overturned by the state government on really spurious grounds, and ground rules changed during the process, and the result was really unsatisfactory in environmental and economic outcomes.

If we could just - I wonder if I could invite Bill and Lawrence Boyd up, please, and if we run through Bill and Lawrence's property. Bill and Lawrence, with their brother, farm a large property near Pyramid Hill. It adjoins the Terrick Terrick State Park and a further 5000 acres of Terrick Terrick native grasslands. The problems started for these farmers in 1998. The property had not been used for purposes other than grazing for a number of years, and in 1998, sharefarmers were cultivating and

they were visited by the shire or department members and told verbally that they shouldn't be cultivating the property because of native grass. The sharefarmers reported this back to the Boyds but nothing was provided.

The next year, the Boyds have gypsum ready, delivered to the property. They're ready to go into the property and start cropping, and the shire comes and tells them that they cannot do so or they will prosecute. In effect, the Boyds were unable to crop 100 hectares, approximately, of what is considered native grass in the area. Now, the cost to them of not being able to crop this land is substantial. The alternative is running sheep or, if it can be cropped, the crop yield is an estimated average of 12 bags of wheat per acre. The problem experienced by the Boyds has acted as a disincentive for farmers to protect and preserve native grassland in that immediate area and there is no doubt at all that native grass is being ploughed under or sprayed directly as a result of the problems that the Boyds encountered. We estimate that the crop potential for that area of land is about \$38,000 per year in gross income to them and the grazing return is about 3000. So in effect the cost to the Boyd family is about \$35,000 per year for the decision for them to not crop 100 hectares of that particular land.

If we can just show some of the video - and again, it's a bit scratchy but you'll get the feel of the property. This is Bill standing of the gypsum that's been - that was delivered a few years back, Bill, I think?

MR BOYD: Yes.

(Video played)

MR MANNERS: This is crop immediately next door that - on the same land, in effect. It isn't bad cropping land and that's that area, be over Bill's shoulder, that he can't - no longer crop. That's his block that he can't - that was the gypsum in the background. 5000 acres of Terrick Terrick National Park. We're just panning across now to - that's it.

I mean the key things that come out of this is: the unreasonable costs that are imposed on these land owners; poor management of adjacent public land; poor administration, they were advised of restrictions after the fertiliser had been delivered, the possibility of buying the land was raised but never pursued; scientific uncertainty, botanists were - that they had engaged, the shire had engaged, were unable to agree on even what species were present; and the cost of regulation greatly exceeds the environmental benefit; and contrary outcomes are likely, there's certainly a disincentive to retain native grass in that area. Bill, would you like or Laurie like to comment?

MR BOYD: Yes. I mean it's just something that we planned to do and we just can't

get it done now and I'd like to point out that while we're grazing sheep as well - and making a bit of money out of wool is all right but if wool falls over we've got nothing. We've just got 100 acres there with - we can't really do anything with because it won't - the native grass won't fatten lambs. It's not good enough to fatten lambs and it's generally too short for cattle. Five years down the track we don't know whether wool is going to be worth anything or not.

DR BYRON: Can I just ask - the area that you wanted to crop was 100 hectares and the total property is 287 or something?

MR BOYD: Yes, we had - - -

DR BYRON: So the other 187 you were planning to leave as native pasture anyway?

MR BOYD: No, no, we've cropped that. We were cropping it.

DR BYRON: Okay.

MR MANNERS: Could I just explain, the property is in fact 15,000-odd acres.

DR L. BYRON: Okay.

MR MANNERS: Of which there were 500 hectares and then they started to crop half of it - or, you know, 300 or something, and then they were about to do the rest and they were stopped.

DR BYRON: Okay.

MR MANNERS: The 100 hectares is what is left.

PROF MUSGRAVE: So this is part of a wider community of these native grasses, I assume?

MR BOYD: Well, it's only - in our paddock you just - but we've got land the other side of the road and it has been cropped and the other side of it has been - there's somebody else's, it's cropped, and then we own the next paddock down further and it has been cropped.

PROF MUSGRAVE: But is it in the national - - -

MR BOYD: No, the national park is next - - -

MR MANNERS: But by the side is Terrick Terrick grasslands, which is 5000

hectares - - -

PROF MUSGRAVE: Which contains the - - -

MR BOYD: Yes.

MR MANNERS: Which contains - we presume, yes.

MR BOYD: Yes.

PROF MUSGRAVE: Maybe you could have got the two botanists to fight over that.

MR MANNERS: Well, I mean, I'm not a botanist - - -

MR BOYD: It cost us enough to get them to argue over ourselves.

MR MANNERS: There's a bloody lot of onion weed in there, I can tell you.

PROF MUSGRAVE: Okay, so - I keep on asking this question - sorry about that, Vince. Are you able to get a good scientific explanation to why it was necessary to preserve those grass specimens on the land you wanted to crop in light of the fact that there's this extensive area next door in the national park?

MR BOYD: No, I didn't, I just asked him - I said it was only second-rate pasture and they said it was significant and they just said, "Very." They didn't give me any - - -

PROF MUSGRAVE: You weren't able to get an explanation that satisfied you.

MR BOYD: No, they just said, "very significant", and that was it.

PROF MUSGRAVE: Okay, thank you.

MR MANNERS: Should we proceed?

DR BYRON: Yes.

MR MANNERS: The next case study is Davis. This is a property at Dergholm in western Victoria. It's bounded by state forest on two sides. Murray and Lorraine were interested in developing their property to improve production, however, this process, while planned, was unable to be done before the clearing controls came into force in 1989. Murray is currently president of the Red Cap Dergholm Landcare group and has been actively involved in Landcare activities with the group since it

was set up over 12 years ago.

They understand there is a need to balance between production environmental sustainability so over the last 10 years all the waterways and the property have been fenced off for revegetation. All stock have been excluded from waterways due to the fencing along the creeks and, you know, they are very conscious of Landcare issues. As farm production increased it is necessary to generate additional income. They are not orphans in that regard. All farmers face those pressures. That can only be achieved by increased productivity of which the farm is near maximum capacity, or the development of current undeveloped land.

From benchmark studies it became clear that it was necessary to run in a grazing property in that area around 8 to 10 thousand dry sheep equivalents. Their current carrying capacity is 6 and a half thousand dry sheep equivalents and the family clearly must expand to retain a viable farming operation. They have limited opportunities to purchase more land in the local area and the development of 160 hectares of native vegetation on their existing holding would increase the carrying capacity of the property by another 2800 dry sheep equivalents and in turn strengthen their position as an efficient producer and enable that property to continue as a viable enterprise to the next generation.

We have got some very simple again video - and again apologise for the quality - but this is the sort of country that Murray wishes to clear. There is no sound with this video. You might like to comment, Murray, as you go.

(Video played)

MR DAVIS: Thank you, Mr Chairman. Thank you, Mr Chairman and members of the panel. Murray Davis, yes, from Dergholm in far western Victoria. We are about 90 kilometres from the coast; 20 kilometres from the South Australian border actually. Most of that you see there was redgum type country. That's a creek there that has been fenced off and has - native trees have self-seeded and whatever with the flowers, if you call that a native; I don't think it is. But it has taken over the waterways and stopped any erosion. Sheep have been excluded out of that area. Yes, that is redgum type country there.

MR MANNERS: That is the sort of stuff that you wish to clear some of.

MS TISCHLER: Yes, some of it. He wants to leave isolated a number of trees just sort of to remove it to thin it out a bit and make it accessible for stock.

PROF MUSGRAVE: This is for grazing, is it?

MS TISCHLER: Yes. I will just run it again. Okay, so here is a native national

park behind Murray and it stretches as far as the eye can see - exactly the same bushland as he has got here. So he wants to clear some of that there to thin it out a bit to make it look - thin it out like that. Then you head back further and it's the native vegetation and here's the creek again.

MR HARDS: Murray has actually got an aerial photograph of his property which highlights the native vegetation that is left on the grazing land that he has currently cleared or so-called clear and there still is a lot of native veg on that grazing country.

MR MANNERS: The key things we think this illustrates: unreasonable costs on landowners. Our back of envelope calculations is that the loss of revenue is around \$70,000 per annum from that uncleared land. The cost of regulation, in our view, exceeds the environmental benefit, and the discouragement of people like Murray from voluntary participation in Landcare.

PROF MUSGRAVE: So once again could the obstacles that are placed in your path be rationalised in terms of some outcomes that the regulators desired? Did you seek some sort of explanation?

MR DAVIS: Well, in what regard, because there are very few alternatives there. If you say perhaps buying more land or something, it just isn't available. We are in an area where there is a lot of natural scrub in its native state. A lot of the farmland has been bought by the timber companies in recent years and bluegums have been established so we are surrounded with all those types of scenarios and very few alternatives to - - -

PROF MUSGRAVE: No, I'm not asking you to justify what you wanted to do. I'm asking if you asked the people who got in your way whether you asked them to justify what they were doing. Could they rationalise the ban on clearing in terms of some outcome they wanted for the area - some vegetation or biodiversity outcome that they wanted for the region?

MR DAVIS: Well, actually, we've never challenged them on that scenario.

PROF MUSGRAVE: So therefore it wouldn't have been possible to negotiate a deal with them because there was no apparent objective that they had in mind.

MR DAVIS: That's right, because I guess the ban, full stop, and therefore no compromise.

PROF MUSGRAVE: Yes, every tree must be saved.

MR DAVIS: Yes.

PROF MUSGRAVE: It's a pretty difficult thing to negotiate about, isn't it.

MR DAVIS: That's right, exactly.

MR MANNERS: And the point of course is that there is a very large area of crown land very similar to that which is on Murray's property immediately adjoining - as Cathy indicated, as far as the eye can see - so I don't know exactly how far but you may have a feel, Murray, of how many acres there are.

MR DAVIS: Thousands upon thousands.

MR MANNERS: Your aerial photographs show it very clearly.

MR DAVIS: That's right, yes. Just within our neck of the woods which is - the green is all trees, timber country. On the other map we have, which is probably a 30-kilometre radius or a little bit more, which shows - the green is all standing timber and there is a lot more which has gone under bluegums which isn't shaded but it is still in the light colour - was open grazing land - has now gone under timber.

DR BYRON: But just from looking at this, it would be a bit hard to make an argument that this patch of native vegetation on your property is sort of the last remaining trees in the district or anything like that. It looks like - - -

PROF MUSGRAVE: It doesn't look like make or break for an ecosystem.

MR DAVIS: No.

DR BYRON: I guess we shouldn't jump to conclusions just from looking at a map for a couple of seconds, but what Warren was asking before is how clearly and strongly did they have to justify why this particular patch on your freehold land was so important, such high conservation status, given everything else that exists on the landscape, that you shouldn't be allowed to touch it.

MR DAVIS: Well, we never challenged them on it so far. This is the first round. So we're taking it from here. But we know from the past, you know, it would have been a no-no to develop it, and we were certain that it would have been a waste of time in trying to, you know, apply to the shire or the VFE about clearing this land.

DR BYRON: Okay. Well, I think we're going to have to come back to this issue, because I was going to ask Mr Boyd and Mr Boyd about the same sort of question. But maybe if we hear the other cases first, then we can expand on that one. What's so special about this one?

MR MANNERS: It might be useful for us to ask that question. Murray was

intending to present his own submission before lunch, and so it should come back after lunch.

MS DAVIS: Thank you.

MR MANNERS: The next case study is Harry Haralambous, who has a very different perspective on the same issue. This one wasn't included in our original submission. It's a late ring-in, if you like. So excuse us for that. But it is a very interesting issue; that's why we included Harry in this study. Mr Haralambous just recently purchased a property at Rockbank, just west of Melbourne. It had previously been cleared and was used previous - the owner - for intermittent grazing. The area can be described, I think - I mean, if I'm not - I hope Harry doesn't mind, but as poor agricultural land with significant weed problems. Serrated tussock is a major problem in that area. The area is also within what's called the green wedge, meaning that under the Melbourne 2030 strategy, it is to be preserved for agriculture.

Mr Haralambous's problems began when he started planting an orchard. He has had a long-running battle with the council and DSE, seeking permission to plant his orchard. He has been required to seek legal advice to engage a consultant botanist and like much of the Melton shire, Harry's property contains some native grass, but there's also a great deal of onion weed and some serrated tussock. I don't know, but the biodiversity value of the land from our perspective seems very questionable. Harry eventually applied of a planning permit to clear native grass, to the extent necessary to plant his orchard. To progress the permit, Harry was asked to provide further information and a copy of the information required by DSE to progress the planning permit is attached to the material that I gave you.

Now, for the sake of the exercise, we put our staff at the VFF onto the job of chasing down the documentation that Harry was required to submit. We have some of it here, which is - I mean, this is just some of the material that Harry was expected to provide to chase it down. Now, Cathy Tischler was involved with this. Now, Cathy, if I may sing her praises for a moment, is an honours graduate in public policy. She has worked in government and for the VFF for several years, and I think it's fair to say she has a much better understanding of the workings of government than could be reasonably expected of a farmer, but despite this, Cathy was unable to track down all of the documents that Harry was expected to refer to in the preparation of his planning permit application. Cathy, if you'd like to just expand on some of the little problems that you had in terms of tracking down the information that Harry was expected to provide.

MS TISCHLER: Okay. The information he was expected to provide is divided up into five sections. We'll leave off much discussion about the mapping; suffice to say he needs to be quite an expert at mapping. Had to put in his boundaries, nearby roads, drainage lines, water courses, all areas with a greater than 20 per cent slope,

on to 100 year flood levels, all existing roads and tracks and any proposed roads and tracks, location of all existing built structures, including sheds and fences, location of home and driveway, all areas with native vegetation and the location of proposed area for clearing, which should also be on an aerial photograph. I rang up and tried to track down someone to do an aerial photograph and find out how much it would cost me. The good news was that the second person I rang had already aeri-ally photographed the area, so all I would have to do was go and pay around \$150 for a laminated picture of Harry's farm.

Then when he had to get his map out again - and he must also draw in the adjoining neighbouring properties and highlight all the natural features on them, including the vegetation, set-backs from features such as creeks, wetlands, erosion-prone land and escarpments. Justification for Harry's proposed clearing, he'd have to assess Victoria's Biodiversity: Our Living Wealth - that's this document. So he'd have to read through that and write an essay on why he should undertake his clearing based on this document. Also based on this document, that's Our Living Wealth, another document required to have, and also Victoria's Biodiversity Directions in Management. These are state government policies for managing biodiversity in Victoria. He also must assess his proposal in terms of Victoria's Native Vegetation Management: A Framework for Action, and he needs to provide detail on his proposal so that the justification will override the environmental and ecological consequences of his activities. Fair essay. I didn't actually write the essay because I didn't have time.

Okay. Then he has to get together some biodiversity information. So Harry has got to review the Flora and Fauna Guarantee Act and the Environment Protection and Biodiversity Conservation Act, to determine if there are any listed species in his area, and if so, whether they are affected. He has got to examine the government's net gain policy, which is this one again, and design his vegetation removal in a way that will conform to this policy. Then - and this is where it started to get really tricky - he has got to go and get existing information from the bio sites and flora and fauna information system databases held by the department. So I rang the phone number on the piece of paper. The department in question who could answer my inquiry had moved. Fortunately they gave me the contact number of someone else who worked part-time and was able to email me a list of species, which is this. What Harry is supposed to do with this list, I'm not sure.

MR MANNERS: How many pages is that?

MS TISCHLER: You count them for me while I keep talking. Then I also had to track down a bio sites database. That wasn't handled by the same person so I had to ring someone else. As I sat on the end of the phone to find out what bio sites were in the region - I'm not exactly sure what a bio site is, but I'm sure it's important - I was told that finding out exactly where the bio sites were in relation to Harry's property

was quite difficult because the database doesn't actually have a search function. So over a period of time, we had to narrow it down using a VicRoads map, and I'd point out the roads that I knew were in the area and they'd sort of hone in on the map for me. I was told that there were potentially four rare birds and one frog in the area, and this was followed up by a five-page fax which doesn't provide me with sort of much information to work with. It's statistical information. So that was my foray into finding database information.

Then Harry must also undertake a fauna survey to determine if the striped legless lizard is in the area. I rang two companies that I got from the department to provide me with quotes. Both companies told me that the only appropriate time to do a fauna survey is in the spring or the summer, and if they were to do one at any other time, they would have to be making an assumption as to whether or not the legless lizard is in fact there, based on habitat, because the legless lizard goes to sleep for the winter. Both of the companies told me that they'd have to go out and look at the property to determine the length of time they'd need to do an assessment before actually providing me with a quote. So I don't know exactly how much that would have cost.

Then Harry is also required to do an investigation as to whether there are any direct or potentially indirect impacts of the proposal on the flora and fauna associated with the habitat or areas of conservation significance on the land, and that to me sounds like a second consultant report having to be commissioned. I forgot to mention there that when he is doing his fauna survey for the legless lizard, he also has to do a flora survey to find out the native species of plants in the area as well. Okay. Then Harry has got to do a property management plan. I rang the department and asked them if they had any particular advice about how to do this, and they weren't able to provide me with anything. Preparation of environmental management plan - I wasn't able to track down the guidelines for the environmental management plan. I was probably getting a bit tired by this stage, so may have only spent half an hour or an hour trying to find it, but that was long enough to frustrate me.

Then Harry also needs to provide land and watering information, details on existing noxious and environmental weeds. I got a list of priority noxious weeds from the shire. It's just a one-page email. Now, how he's going to get rid of those weeds will depend on which of these weeds are in fact on his property. Harry knows he has serrated tussock and one of the best ways to get rid of serrated tussock is in fact cultivation, but he's not allowed to do that. Actions designed to limit environmental effects during proposed clearing operations, run-off settlement control, soil erosion minimisation, minimal disturbance on any remaining vegetation - not entirely sure how Harry was supposed to go about putting together some sort of document to assess that before his works.

Then I'll just finish up very briefly on works. I did also contact the department

and ask them about how he's supposed to put together his details on earthworks and clearing operations to limit the environmental effects, and they weren't able to give me any guidelines or anything to sort of start me off. So suffice to say it was an arduous process.

MR MANNERS: The fact is it would be very difficult for Harry to comply with those information requirements, and one has to question whether it was in fact really information they needed or simply a device to stop him getting a permit. Harry will be able to tell you in a moment, but he has had further discussions with the government and the department are willing to compromise with him if he sets aside, with a covenant, 25 per cent of his property. In effect, the department is saying they would like Mr Haralambous to provide, at his expense, a public flora and fauna reserve, and furthermore is expected to maintain it and to pay rates on it. So is there anything to add, Harry? I'm sure - we've got the video, haven't we. We've got a very short video, just to give you a feel for the place. It's pretty much windy plain out there, as you'll probably know if you're driving out the Western Highway. That's the sort of country that we're talking about.

(Video played)

DR BYRON: It's called Rockbank for a reason, isn't it.

MR MANNERS: Yes. That's Harry's orchard that he has sort of planted some of. That's the igloos in which he's growing seedlings, because he has got a problem that he has got seedlings growing but nowhere to put them. He has got root-bound plants here. He is showing the root-bound that he just cut. That's the grass that was supposed to die if it was taken from the soil. Harry put it in premium A-grade potting mix, and there it is.

MS TISCHLER: We've lost the video, sorry.

MR MANNERS: So it's just - sorry, we're re-running a bit but, I mean, you know, the - I mean, the key issues there is unreasonable costs imposed on the land, the delays in higher administration costs, the costs of regulation to peers to exceed the environmental benefit, and inconsistency between the government's policies, native vegetation retention and the Melbourne 2030 strategy, which aims to promote commercial agriculture in these fringe areas but it's impossible for him to do so.

PROF MUSGRAVE: Harry?

MR HARALAMBOUS: Pretty much it started off when I purchased a property at \$1.2 million in the Rockbank region. I bought it solely for a bread and breakfast and an orchard. There were no VR1 overlays on my property, no covenants. All I heard from the council was to come on site and say, "You need a permit to do such an

activity," which I didn't believe I needed to do, and it started from there. I had to engage a botanist to do a report, which cost me in the thousands. Now the department has come back to me after that letter and said, "Okay, if you sterilise 10 hectares of your property with no compensation and admit that you've got legless lizards," even though I don't have legless lizards - to avoid a fauna report, if I agree to it and say I've got them even though I don't know that I've got them and I haven't got them, they will say, "Okay, you can do what you want to do." So I'm pretty much on a blackmail scheme at the minute. They're blackmailing me to say, "We'll let you do your job, but you lock up 10 hectares of property with no compensation."

Well, I paid a substantial amount of money for that property. I still owe money on that property, and they expect me to sterilise it with no compensation. As far as I'm concerned, if they want to do a changeover for public land where I can plan my orchard, for which I spent \$30,000 on trees, which are starving to go in and being root-bound - I've 20,000 other trees which are ready to be planted in an area which I don't really own any more till this process is finished with, and plus I have to do another report in spring. I can't be expected to be given a corporate planning policy which is being compared with the development of a supermarket and the development of Port Phillip Prison, which was built in the area. They're using them as an example to me where they had to obtain a permit, Caroline Springs had to obtain a permit, "You have to obtain a permit to put in an orchard." I can't be expected to incur those costs. It's just ridiculous.

I may as well say, "Forget about the trees. Throw them away." With all these reports, I may as well cut up my property into lots and then make billions. But to incur those costs as a farmer to plant a tree is just totally unjustifiable.

PROF MUSGRAVE: But you can't subdivide, Harry.

MR HARALAMBOUS: No, I can't, but I'm just saying the assessment that I have to go through is the same as a developer. The developer would have to do that sort of report. So if I'm going to spend \$200,000 on a report to plant a tree in the ground, why plant the tree and not say, "All right, I'll apply for a subdivisional permit." But that's where the problem comes. I'm in a green wedge area which is being preserved for agriculture or farming activities, but I can't subdivide, I can't plant a tree. I have no source of income, so I'm crippled pretty much.

DR BYRON: Is there any avenue of appeal? There are two questions that are related. One is, is there a legal basis for this demand that you covenant 10 hectares or a quarter of the property, and the other is, is there anybody you can go to and say, "Actually this is unreasonable," and propose something else?

MR HARALAMBOUS: I have done so. I have offset 2.86 hectares of my property. I said, "I am willing to allocate 2.86 hectares," in my report and said, "I'll

allow that to be intact, native grassland, and I'll do the rest of my job. Okay, we need to preserve that; the social and economic benefits have to weight up, for me and for you." 2.86 hectares is more than enough to be sustainable and managed by me, which I have to fully cost. All the expenditure is on me. There have been no grants for fencing, no grants for weed control, no grants for maintaining it for not just the state of Victoria but the whole of Australia as well.

DR BYRON: But the department has knocked back that offer, has it, of 2.8 hectares?

MR HARALAMBOUS: They won't back that. They said, "We want a report in spring with 10 hectares and a guarantee from you in writing that you have legless lizards," even though I don't have legless lizards, unless I want to contest it and do another fauna report. What they are trying to do - because I've spoken to my legal adviser - the Western Catchment Authority's vegetation plan is still in draft form. Now, I can't contest this in VCAT - I'm not sure because my solicitor is away at the minute - but they're seeking more information. So they're stalling the process because in September the net gain, net losses come into play, which this EBC that they're trying to push through, so then they're going to say, "Okay, Harry, it's not only 10 hectares you have to preserve now. We're going to sterilise 50 per cent of your property if we go back to net gain, net losses."

We can't do that. We're trying to make a viable income out of a farm which is restricted to only 100 acres and trying to compete with an export - because my venture is the first in Victoria of what I'm doing and the second largest in Australia. But I can't say I'm the first with five acres. How am I going to compete? Joe Blow down the road is going to come and say, "Here, you've got a brilliant idea. I'll take that off you now." I've got no market power at all.

MR MANNERS: Harry's situation is that they're offering him a deal, "10 hectares now, or if you delay it, you may well face a situation where the offset will require to 50 per cent of the property." There's uncertainty about that, so Harry is being pressured to take the 10 hectares now.

DR BYRON: There's a very rude word for that sort of pressure, which I'm not going to use.

MR MANNERS: That's the situation that Harry is facing.

MR HARALAMBOUS: That's what I'm faced with. I cannot with my heart give away something I paid that much money for. If it was given to me for free by the government, I'd say, "Here, take it back." But it was owned by the Commonwealth government 20 years ago. They sold it with no remorse five times, took the stamp duty of the property. When I purchased it I spent \$200,000 in stamp duty alone. I

have not seen a cent of that come back to say, "Harry, here. You've paid your dues. Have some back." They've just said, "We don't care. This is this. Legislation is legislation. You have to abide by it." It hasn't been contested yet and there's a lot of other properties in the shire which are going to face this problem and I really - sorry, am I going - - -

MR MANNERS: No, you're right, Harry. We brought the native grass along because Harry was told, "This is wonderful native grass. It will only grow in this particular area and it can't be disturbed." So Harry, being the practical person he is, says, "I'll test this out," so what does Harry do - plant it in A-grade potting mix, and it's thriving.

MR HARALAMBOUS: It's thriving. All the botanists, all the fanatics, excuse my French but all the extremists, said to me, "If you take that out of there and you put it anywhere else, it's going to die." I said, "Come on. It's not a tree which has got established roots, it is grass. It rejuvenates every year and does so." So I took it out, I put it in there. I gave it the same water that I'm giving my trees now and it's lushing. They're saying that my water program which is going to be too high is not going to be the same. But my trees are a drought resilient tree which take the same amount of rainfall as the shire, so I don't have to use excessive water. So I don't know; I'm the meat in the sandwich.

DR BYRON: So just to summarise that point, what you're saying is that your horticulture development doesn't even pose a threat to this species?

MR HARALAMBOUS: Not really, but if you talk to the department, it's going to kill it. I'm having trouble reasoning with people, you know. I've reasoned with the 2.86 but with some people you just can't reason. They don't come to the party.

DR BYRON: Point made. Thanks very much Harry.

MR MANNERS: Okay, thanks, Harry.

PROF MUSGRAVE: I wonder, Cathy, if it's not too much to ask, could you write down that saga that you described, the administrative - - -

MS TISCHLER: Yes.

DR BYRON: It's on the transcript now.

PROF MUSGRAVE: It's on the transcript of course.

MR MANNERS: It is indeed written down too.

DR BYRON: Just on that, would you have any idea firstly whether an average, typical farmer could go through all that process, and if you could, how long would it take and how much would it cost?

MS TISCHLER: I'm going to say first of all, having got all this information together, I don't know what to do with it. I don't know how to present this in a way back to the department that would make them say, "Yes, you can have a permit." Some of the database information I've got, how am I supposed to make sense of that and put that into words to help me get my permit?

MR HARALAMBOUS: Just to clarify on that one, my botanist's report cost \$3000 and it's still pending because they want me to do another one. That was a pretty intense report. Everyone of those items asks for the same intensity, so if you added that up over the 500 items, whatever they're requesting, and then want more later on, just basic calculations will probably put it in the \$80,000, maybe more.

DR BYRON: It almost looks like it's designed to make sure that nobody does complete it.

MR HARALAMBOUS: And that's where it is. In my shire I'm the first and the person from the department said, "There are 178 other sites in your region which are going to face the same problem. We have to set a precedent." So what they're trying to is knock me over the head and make it as hard as they possibly can so no-one else in the shire even bothers.

DR BYRON: Or else everybody else in the shires knows if they want a permit they have to give over a quarter of the property because that becomes the precedent.

MS TISCHLER: That's right.

MR HARALAMBOUS: That's what it is.

DR BYRON: But you would still be responsible for the management, the weed control and protection and control of fires - - -

MR MANNERS: And payment of rates.

DR BYRON: - - - and paying the rates, and the mortgage.

MR HARALAMBOUS: Yes, everything, plus a revegetating program.

DR BYRON: Okay. Thanks.

MR MANNERS: Thank you.

PROF MUSGRAVE: Thanks very much. Thanks, Harry.

MR MANNERS: The next case I think you'll find just as interesting. It's Reg Holt. Reg has also made a separate submission and he will come on later, so sorry about the time. This is another interesting case illustrating the absurdity of the native vegetation regulations. Mr Holt farms at Wedderburn in central Victoria. He has tens of kilometres of fence on that property that needs replacing. The issue arose when Reg trimmed some native vegetation overhanging a new fence he was constructing. We have a video footage of this fence, and you'll see on that video footage the very limited pruning of native vegetation which occurred but which got Reg into considerable trouble.

The department assessed Mr Holt's application, stating that it was unnecessary to remove trees along the fence line and any lopping of branches should not exceed a height of four metres as this was the necessary height to drive a tractor underneath to construct the fence. I'll just give a bit of a spiel. Any branches considered in danger of falling could be removed at the discretion of the department officer. With any branches not considered to be an immediate risk, Mr Holt was required to prove the risk. The department required Reg to employ a qualified arborist to assess tree branches to determine if they were in danger.

Reg has kilometres and kilometres of fence to replace. It is totally impractical for him to employ an arboriculturalist to look at each tree potentially representing a danger to his fence. For the lopping of branches, Mr Holt was required to undertake revegetation works according to the following scale: if he pruned a 100-millimetre diameter branch, he had to plant 20 trees; if he pruned a 30-centimetre diameter branch; he had to plant between 50 and 100 trees; and if the branch exceeded one metre in diameter, he had to plant more than 100 trees. This revegetation works were to be protected under a section 73 agreement registered on the title. Those revegetation agreements have now been withdrawn, but nevertheless they were in place at one particular time.

Mr Holt has acres of native vegetation on his property, and yet if he cuts a limb 100 millimetres in diameter he is expected to plant 20 trees and register the plantings on the title. Not surprisingly, Mr Holt found these requirements to be unduly onerous and has since been granted a permit for the four-metre high pruning, and after discussions with senior staff has not been required to plant trees. However, recently senior departmental staff visited his property and he is waiting for confirmation that his pruning regime can continue.

(Video playing)

Now, the area is not short of tree cover. Most people would say it's a heavily

timbered land. Revegetation is not a problem in this area. Regrowth occurs very rapidly, and you will see in the video, regrowth eight years old, and Reg will have to deal with that within the next two years. You also see from the video the difficulties Reg is having with the shire and the DSE over the clearing required to replace old fencelines is really quite farcical. If we just have a look at the video, and again, the cameraman let us down and I think there's a few other technicalities, but you'll get the gist of the issue. This is the fence where the problems started.

I mean, in summary, there's inconsistent interpretation of the regulations. I mean, most farmers in the state would in fact clear a lot more than Reg has done, but Reg has been prevented from doing so. There are contrary outcomes. Mr Holt is strongly motivated to ensure any regrowth on his property is removed within 10 years as a result of this exercise, and the delays and higher administration costs for Reg and for the government - and as you can see, there has been numerous visits to his property by government officials about clearing, you know, one or two trees to replace some fence which - you know, as I said, he has got tens of kilometres of fence to replace. He has to employ an arborist, so-called, to look at if he wants to trim boughs more than four metres above that threaten to knock down his fence, and the costs of the regulation in this instance greatly exceeds the environmental benefit. As I said earlier, this is a very well-treed area, and the issues of regrowth are not a problem.

DR BYRON: Could I ask a really dumb question. I'm really glad that you attached to the back of the submission the relevant clauses from the planning provisions, because it says here that:

A permit is required to remove, destroy or lop native vegetation. This does not apply to ... to the removal, destruction or lopping with the minimum extent of native vegetation necessary for the construction, operation or maintenance of a farm structure, including a dam, tracks, bores, windmills, tank stands, fences, stockyards, loading ramps, sheds and the like.

Now, I'm not a lawyer, but that says to me a permit is not required for the construction or maintenance of a fence.

MR HOLT: Are you busy tomorrow, by any chance? I'd just like to take you up to the Shire of Korong and let you talk to them and see what - - -

PROF MUSGRAVE: It would be terribly expensive though, Reg.

MR HOLT: Well, it might be worth it. It could be cheaper than doing these bits and pieces we have to comply with.

DR BYRON: I'm amazed that you actually said that they've now given you, you know, very graciously, a permit to do this, subject to all the controls, and without requiring all these off-sets that are mentioned. But my understanding from this is a permit is not required.

MR HOLT: Look, I totally agree with you. I totally agree with you.

DR BYRON: So who can you appeal to? Who do you discuss if - - -

MR HOLT: Well, I don't know. I've had the senior managers from DNRE or DSE, whatever they are, at Bendigo come up and do an inspection. That was just before Clay came up and took that video. We haven't heard back from them because they're thinking about it, but this particular saga on these fences goes back a period of nearly seven years or eight years, and it goes back to the time when - we showed on the video where I pruned the fence to erect a new one, when I was showing you that example there. When I did that particular piece of fencing, there was some gold mining going on in the area, and so the DSE gentleman was up inspecting what the gold miners were doing and happened to see the fallen timber on my property where the fence has been done. I was grafting some pistachio nut trees at the time.

He came to me and he walked across to me and as he's coming across, he's crying. He's got tears in his eyes, the fact that I cut these trees down to put up a fence. Now, he threatened me to take me to court and have me charged because I'd undertaken that clearing of the trees to put up the fenceline, and it was only through arguing that I had no knowledge that I had to get a permit or permission for him to prune those trees that I was able to avoid going to court, and I had to pay the royalty for the timber that was pruned off and fell on my property. Had I tried to remove it back into their side, I probably wouldn't have had to pay the compensation amount but I would have had to bulldoze a heap of trees to be able to get them out to be able to get the branches onto the roadway and out of my place, because it's just heavily timbered all the way along there; you couldn't do it any other way.

So what I did with him is I said to him, "Look, I've got miles of fence that needs doing," and I took him around for an inspection round the fences and I showed him the timber that needed to be done, and I said to him, "I don't want the timber, I don't want to have to cut it, and I don't want to have to pay you any royalties." He said, "That's fine, but if the timber is cut down, then the royalties will have to be paid." Well, I said, "Have you got woodcutters that you can get to come in while the fences are in poor condition, they can drop the timber over the fence, harvest it out, pay the royalties, it's win-win for everyone." "Yes, that would be fine." Two years went by and nothing happened, and that's when I approached Barry Steggle and he raised it in parliament and raised questions in relation to it, and again there was no outcome because there had been no application in writing, despite the fact that a verbal approach - been in the car, taking the guy for an inspection around and had a

look at it all. Nothing was organised; nothing was done.

So I then approached the DSE in St Arnaud with the same outcome of intention in mind, and I approached the forest officer over there and he said that that's a good idea. He came over, did an inspection, and he said, "Look, Reg, there's that much timber on your fencelines, I'm prepared to declare it a coup and bring in the woodcutters and take the timber out, and we'll get the harvest, we'll get all the proper use out of the timber that's there." "That's fine," I said, "that's good. While the fences are down, we'll go ahead and we'll do all that," and I showed him all the different lines that needed to be done, and he went away and he's away about 24 hours to 36 hours or so, and he rang me, he said, "Look, just to be sure, Reg, we better get a planning permit." He said, "Just go into the shire and get a planning permit to renew the fence, just to make sure we've got everything covered." So I went into the Shire of Korong and applied for a planning permit. They referred it to the native vegetation department out at Bendigo, and that's where I run into all the trouble.

So from one section of the department prepared to be able to deal with the problem, you get into another section of the department who assess and make decisions not on the whole area but on each individual tree, and - - -

DR BYRON: Or each branch.

MR HOLT: Yes, it is, and they do that interpretation on the basis that the act says "or the amenity of the tree". The amenity of the tree they're interpreting as the vision of the tree, how it looks. Not whether it's functional, but how it looks. So if you're going to cut a branch off, they make the immediate determination it's going to affect the amenity of the tree, therefore you've got to plant off-sets or you're not allowed to do it.

PROF MUSGRAVE: So it's that officer's aesthetic judgment?

MR HOLT: Yes. But then we had in between sort of all this - it's a big convoluted mess, a bit like what the other young gentleman had, in that when I had them come up and they did the first inspection with the green Xs and we marked the trees that needed to come down, and they said they were agreeable to take these trees down, so long as I planted the offsets and paid the royalties, and I said, "Well, this is going to put back a fence that is necessary to retain livestock and provide public safety. There's 100 kilometre an hour roads. The stock are going to wander out there and they're potentially going to hurt somebody." I said I wasn't prepared to pay royalties because I didn't want the timber, and I wasn't prepared to plant off-sets because I had too much timber on my property as it was, and it was causing me inefficiencies. So they went away and they had a departmental head meeting in Bendigo. They discussed the issue and that's when they came up with the four-metre high guidelines

- that I could prune to a vertical line above the fence, up to four metres, anything that hung over. I wasn't allowed to prune it over against a tree. It had to be pruned at the line of the fence, in a vertical line, although they now deny that they said that, but that's what they said. It's a pity you don't have a tape-recording going sometimes. Anything that was above the four metres I wasn't allowed to touch.

That had been a regional policy which is the determination of those staff in Bendigo. They rang the native vegetation controlling person in Melbourne to seek approval to be able to implement that on a regional basis, which was the Bendigo region. So you haven't got decisions which are being made across the state and a uniform basis. You've got individual regional centres of DSE who are making decisions relative to their own visions and implementing that policy, whereas if you go to Swan Hill office the interpretation may be different.

DR BYRON: Well, Clay?

MR MANNERS: Yes, what I would say is that I agree with you, that I think that Reg has every right to trim those trees under the existing law. But the issue is, Reg has raised it with the senior management of the department. The VFF wrote to the regional manager and we said, "Look, this doesn't look right. Can you look at this to make sure that everything is being done according to Hoyle." I thought they would write back and say, "Oh, look, somebody has got a bit carried away," and it's all right. I was 90 per cent sure that that would be the outcome, but indeed it wasn't. It was, you know, as Reg describes.

Now, Reg has the opportunity to challenge this, but to do that he has to take it through VCAT and has to challenge a VCAT appeal. I guess there's always reluctance for farmers to take that legal challenge - because it is a legal forum, although it's probably at a lower level than the Supreme Court - and I would expect he would win it, because I don't see how they could do it. But nevertheless, that's the experience that he has had at the local level. There are other farmers in the area that are facing exactly the same problems. It's not an isolated case.

DR BYRON: Yes, but Cathy was with us on one of our field trips up past Omeo, if you remember, where the landowner was complaining about only being able to clear - completely clear - three metres each side of the fence line.

MR HOLT: That would solve a lot of problems of mine.

DR BYRON: Including the side that was in the national park. He thought he should have been able to clear the tree height plus one, and that three metres wasn't actually wide enough for safety and access and all those reasons. But now I'm getting very confused. In one part of the state it's perfectly accepted to clear everything down to ground level, to three metres each side of the fence, including the

one on crown land, and then in another shire there's all this fuss about branches.

MR HOLT: Yes. Just to give you an example, when we did the first inspection there was two DNRE staff come along. One walked out on the whatsaname with me. The other lady sat in the car and she had a notepad and a pencil. Every tree we went along and inspected, she wrote them all down. When they came back for the second inspection, which is the peak inspection, they came back with three people; one with a GPS, one with a wheelie and the other bloke going along with the measuring device to check which was four metres above the fence. Every tree and every branch is noted, recorded and itemised, of what I can take down and what I can't.

DR BYRON: I would have thought these people might have had something more useful to do, but I'm not saying - - -

MR MANNERS: And Reg has got - I mean, he's got a large property. He has got a lot of fences that need repair. There are kilometres and kilometres of it.

MR HOLT: Gentlemen, it's lunacy. It is just absolute lunacy. It's bureaucracy out of control - out of control.

DR BYRON: Yes, well, we could spend a few hours on this, but I think we probably better keep moving. Thank you very much for coming and depressing us.

MR HOLT: Thank you.

MR MANNERS: The last case, you will be pleased to know, is John and Lorraine Croft. I wonder if John would like to come forward - yes, John and Matthew Croft. I'll just quickly run - the Crofts farm board is the Murray Sunset National Park in the state's north-west. It's a 2600-hectare property. It was purchased in 1974, well before the vegetation controls came in. The property had been fully cleared at some point prior to the Crofts purchasing it, but when they did purchase it only 160 hectares could be used for farming, as much of the vegetation had regrown.

After purchasing the property the Crofts undertook a gradual development process to increase the productivity of the farm. The natural vegetation regulations introduced in 1989 left the Croft family with more than a third of the farm still undeveloped. They have been trying for 12 years to obtain a permit to clear about 450 hectares of remaining native vegetation in designated areas. The property adjoins a national park, with tens of thousands of acres of native vegetation identical to that which they wish to clear. They are willing to protect areas on their property of particular significance, but quite reasonably they expect in return to be able to clear other areas. Our view is that the net loss of income to them, from their restriction on their ability to clear, is in the order of \$30,000 per year, based on current grain prices.

This video is much more professionally done than the one that we have, and it was done by the Crofts themselves. If we could just quickly show it to give you a feel for the sort of property we're talking about. You might like to give a commentary, John, as we go through.

(Videotape played)

MR J. CROFT: That is some of the ground clay that we'd clear right from the word go. That's the condition of it now, back there, with all the clover.

MR M. CROFT: Photos of the national park, which there is 640,000 hectares of. Then she is coming around onto the crop that is sown there through the fence, that we sowed this year in early June and which is doing very well.

MS CROFT: The national park again.

MR J. CROFT: There's the fence that government helped us to erect, to try and keep fauna and kangaroos and emus and everything else out. What happens with the fence - it's electric, with four electric and four earths, but the kangaroos know better. They won't jump it but they'll dig under it. So you've got to be prepared to go back once a week and fill in holes and try and keep them at bay that way. But once they get in, with the land we've got left there to be cleared, they make their home there because there's plenty of feed for them and there's nothing at the national park. They stay in there and stay in the ground.

MR M. CROFT: They will not let us clear, but we are prepared to do a farm plan and let this be left - fence it off and leave it behind - if we're able to clear the rest.

MR J. CROFT: See, as you can see, the blue mallee they want to protect is a very small mallee. It has got no - to us - no significant timber. It might last in a fireplace for half an hour, the timber that you would get out of it.

MS CROFT: This is how the roos get in and out; just dig under the electric fence, up for a feed of some nice lush crop.

DR BYRON: I can understand why the roos would rather be on your place.

MR J. CROFT: See, as I said, once they come in there, well, they've just - - -

MS CROFT: This is the scrub that we'd like to be cleared.

PROF MUSGRAVE: And this is all regrowth currently?

MR J. CROFT: Yes. It was originally settled in 1925-26.

PROF MUSGRAVE: How many times would it have been cleared?

MR J. CROFT: Only the once, and then regrowth back again.

PROF MUSGRAVE: So do you continue with crop rotation?

MR J. CROFT: We have rotation, three-year rotation that we do.

PROF MUSGRAVE: You don't have a problem with regrowth during the - - -

MR J. CROFT: Definitely, you do. When you go back you have hopbushes and all that regrowth starting to come back if - - -

PROF MUSGRAVE: But the cultivation process gets rid of it.

MR J. CROFT: Yes, it gets rid of it. If you leave it too long it will re-come back again.

PROF MUSGRAVE: Yes.

MR MANNERS: I think we've got the gist of it, have we?

MR J. CROFT: I think so.

MR HARDS: One of the ironical parts of this is the fact that when these properties were under 99-year perpetual lease before, they were actually freehold, but completely a condition of those leases was that the farm be cleared. Now we've turned around and within 20 years, now we've got the situation where they can't touch it.

MR MANNERS: In fact people went from overnight of having to have to clear property, to the next day not being allowed to clear anything. You know, it was an overnight deal for some properties.

DR BYRON: It reinforces the idea about how governments have perfect knowledge and perfect foresight and always get the rules exactly right.

MR J. CROFT: The part about this was too, Clay, that we didn't rush in. It was a farm that was covered with rabbits. It was eroded because there had been other things done on it to fence off hills where it shouldn't have been. There was erosion all on those hills where hobbushes and all that regrowth had come back, and it was full of rabbits, horehound, weeds and everything - of which we had a big plan ahead of us, what we had to do, and we couldn't just go out and clear the whole lot in one issue. We just had to keep doing sections at a time and get it into production so that we could have money to pay for it and to live on and to keep developing, and whereas this is where we got caught up in the 89 part coming in - is where they've stopped us and we can't do a thing now.

It doesn't matter what we try to do or say to them - that we make that farm plan or, "We'll leave this section for you" - they've put in two botanists and sent them all the way from Melbourne up there to stay. They lived in Mildura for a week at the motel and travelled out a hundred K's to our farm every day, went through it. The only thing they could find on that property was the blue mallee, that was going to stop us from being able to clear the rest of the land, and which we have been prepared to fence off, as I've said, and leave, maintain for them and look after it, if we're allowed to clear the rest of the land.

Also, we've put other plans up to them - that they could take that land off us and have it, if they would let us clear the land. They still won't even come at that, the government. They've sent us a letter and said, "No, you can't do that either." They're prepared just to make us sit out, not go on and produce crops and wheat - as I say, for starving people all over the world. They're prepared to just block us and not let us do what we would love to do.

PROF MUSGRAVE: If you were to knock it over and then there was to be regrowth, would the blue mallee come back or not come back?

MR J. CROFT: I'm not sure on that. I could not tell you on that, no.

MR HOLT: Unless the stump is removed, sir, they will regrow. It will regrow from the stumps, like anything you would sow. It's the same stuff that's harvested for eucalyptus production.

PROF MUSGRAVE: Yes.

MR MANNERS: The ironical part about it is there's tens of thousands of acres of this same blue mallee in the national park, where it belongs. That's the ideal place for it. But the fact that John's is on private land, you know - - -

PROF MUSGRAVE: Once again they can't explain why this has to be done, in terms of some clear design outcome.

MR J. CROFT: That is a map adjoining our property, in the national park, and that is the itemised blue mallee that is in the park.

DR BYRON: Where is your place on this?

MR J. CROFT: Our property is there. It starts in that corner.

DR BYRON: Looks like there's a bit of it about.

MR J. CROFT: There certainly is; estimated 5000 acres just in that patch alone, of blue mallee.

DR BYRON: Well, this is probably a good time to come back to the question that has been bothering me all along. If there was a requirement that the department - or whatever department - had to make a case that this particular piece of remnant native vegetation that we're talking about, whether it's Mr Holt's branches or Harry's weeds or whatever it was, if they could say, "Look, this is of such high conservation value that no matter how much it's going to cost you, you know, we think this is so important that we really have to protect this" - it seems to me that they don't even have to make their case that it's of extraordinary high conservation value.

Now, one of the things that we talked about with some other people who were here this morning is that if - it comes back to this issue of whether the public servants have to be responsible and accountable for decisions they make and the cost that that imposes when they choose to deny or delay giving a permit. If there was only a certain bucket of money that was available for biodiversity conservation on private lands and the people in the department had to say, "Well, where are we going to spend this million dollars? Should we buy some land up at Omeo and make that into a national park or should we buy a hundred hectares from you and add that to this

national park or should we make a covenant arrangement with somebody else over here or do we want this grassland or that patch of tall eucalypt forest or this piece of bull oak over there?" At the moment they don't have to prioritise and work out how they get the greatest bang for the buck, because they just say, "We want it all," and they can have it all because they don't have to pay for it. Am I exaggerating here or - - -

MR MANNERS: No, that's exactly right. For example, one part of the department is looking at developing tools, like the Bush Tender program, whereby in fact they go out and ask farmers to contribute. But while the department can achieve exactly the same conservation outcomes by saying, "Thou shalt not clear," where is the incentive to develop those sorts of programs, because, you know, they can achieve the same result without an expenditure of any funds.

PROF MUSGRAVE: And is that why you say Bush Tender is struggling?

MR MANNERS: Well, I think that's one of the reasons why Bush Tender is struggling.

DR BYRON: Because it does actually require payment.

MR MANNERS: It requires payment.

DR BYRON: Yes, it's actually much less expensive to the treasury of any state or of the Commonwealth to simply require through regulation that people must set up a piece of quasi park or reserve than it would be to actually go and make a commercial arrangement for that.

MR MANNERS: Mind you, I think that the evidence we provided today demonstrates that there are costs associated with that. There are costs, obviously, to the private land owner, and they're substantial in the cases I think you'll find. There's also costs in terms of the government officials. I mean, how much does it cost Reg Holt to have two or three people come out and inspect his property every month to do it. I mean, that's not free - - -

DR BYRON: Yes, that came across very clearly, I thought. Well, are we sort of into the question and answer session now?

PROF MUSGRAVE: Yes.

DR BYRON: One of the first things that I think would be really helpful to make clear, and you raised it very early on, that the impact of the natural vegetation legislation doesn't fall equally across all land-holders, and in fact it falls disproportionately heavily on those who have still got a lot of native vege. The

people whose properties are treeless, they don't even have to think about this. Now, in Victoria, as you said, it's sort of East Gippsland, it's the Mallee, it's the south-west seem to be the areas where there's still a lot of native vegetation, and therefore this is a very hot issue.

It's also the incidence is unequal because the cost is highest on those who have the most native vege, and that to many people seems to be particularly unfair, and I can't help noticing that in just probably all the cast studies that you presented, the individual land-holders involved have been very active in landcare and these sorts of things. They have pretty good environmental or resource management track records in, you know, they haven't bulldozed every tree off the place. They've actually been looking after it. So the question there is given that it's a relatively small number of people who seem to be affected - well, no, maybe that should be a question. Is it only a relatively small number who are affected? I mean, what we need to get a handle on is whether it's one per cent of Australian farmers or 50 per cent of Australian farmers who are having an issue with native vege and biodiversity controls.

Somebody said to us the other day, "Oh, it's just a few, sort of, squeaky wheels, just a few exceptions, a few unfortunate anomalies." What we're hearing in every state is that it's not just half a dozen unfortunate exceptions, anomalies, that it's much more widespread than that. Can you help us with that?

MR MANNERS: Can I make some comment and then - perhaps you go, whichever.

MR HARDS: I don't mind. I would say it's much more than one per cent but it's nothing like 50 per cent. There are certainly areas out there that, you know, for continuing production and continuing maintenance of the farms, there has to be a commonsense approach to native vegetation retention and management, and that's where it is - I think it's gone way beyond that.

DR BYRON: I don't mean to say that even if it was only one per cent, even if it was only a hundred farmers in the whole of Australia, it doesn't necessarily make it right, but I'm just saying we need to get a handle on whether it's, you know, maybe it's 10 or 20 rather than one or 50, but if we can get, sort of, orders of magnitude. The protocol of this game is that we need to have a transcript so that if you could come forward and just state your name into the microphone so that everybody will know who you are rather than just speaking from the back of the room.

MR HOLT: Okay, Reg Holt. Just to answer your question in relation to the number of farmers that are affected by this particular scenario with the native vegetation, I can tell you honestly that all the farmers in my particular region are affected. It's not just myself or one or two people, but they're all affected by the area.

Even as far out as the Boort Community, which are 30 kilometres or so from us, they're having trouble in establishing fences through their property for the same reasons. So when you're asking, it's a significant number. It's not just a small number, but it doesn't happen to all the farmers at the one time. Whilst I'm just taking up a fencing program, I'm facing the problem. Soon as the next bloke does his fencing program, he's got to face it et cetera, et cetera.

DR BYRON: So it's only a few at any one time, but next year it will be a different few.

MR HOLT: Exactly, and it affects all of us.

DR BYRON: Harry, do you want to come up to the mic too, please?

MR MANNERS: Could I just - I think there's four groups of problems that we have. We've got a group of farmers who own land prior to 89 who are halfway through their development process, Murray Davis, the Crofts, for example, and that's - they're probably a handful of farmers across Victoria. I think that you could probably less than - might be a hundred farmers in that category within Victoria who are significantly constrained in their development.

The next group of farmers is those who wish to do something new and they run into a problem in terms of management of the farm. Reg Holt putting fences in, Tripod Farmers, you know, putting a new irrigation system in or something of that nature. Then there's this grassland which is sort of emerging as a third - another sort of problem, and the fourth problem is areas, people who want to harvest in some way, and I don't think they're a large group but they're nevertheless a significant group. So the first one is a small group, the second one is what's growing. That's the group of farmers who want to do something different and they're running foul of the regulation in one way or another, and that's a growing group.

DR BYRON: Maybe a thousand, or a thousand a year?

MR MANNERS: Well, I don't know, but we get a lot of complaints from members about individual things. It could well be into 500 to 1000 people, in that sort of range.

MR HARDS: A lot of farmers also, Dr Byron, take the easy option of not doing, you know, not going to the stage of getting a permit. They might go to the point of moving their fence to comply with the regulation and not touching the native vegetation. They'll move the fence in five metres or six metres, which is a significant cost to them, and next time it happens, are they going to have to move it in another five or six metres?

DR BYRON: Because the vegetation has moved in too.

MR HARDS: Yes.

DR BYRON: Harry?

MR HARALAMBOUS: What's happened in my specific case, there was a mapping done of the shire which was taken by an environmentalist, the environmental manager and an extreme environmentalist group. Now, no public consultation to the effect that land-holders has taken place, no-one had been notified of any case. I'm the first in my shire. Now, what the CEO said to me was - I said, "Why wasn't everyone else notified that this mapping has been done and potential overlays to be implemented on our land?" Now, he said to me, "Oh, it's easier to go one on one with land-holders to express the concern and how to preserve native remnants." So instead of contacting every land-holder with what they're doing behind their back trying to impose these overlays with no consultation, and then they're saying, "It's easy to go one on one because we can single-handedly throw you out of the ball game."

They don't want to come as a liaison with all land-holders because they know they'll have a war, so they think, "Oh, we'll just take our Harry Haralambous, Joe Holt, the other gentlemen who are affected here. We'll get rid of them, set a precedent, and then we'll go set a landmark." But it doesn't work that way because that's why people come into conflict with the councils where if you don't know you've got something and you go do your general activities and then they come with blackmail and fines of up to 120,000 for the illegal removal of vegetation which you have no notification of, the process and the implication of these laws is not fair and it's just, I don't know, that's why they're not working and there's so much conflict, and it's only the start. Like Clay said, there's going to be massive amounts of people who are going to come into conflict of ridiculous claims of just cutting one little limb or doing this, because they've got the go ahead to just fully streamline it on every case and any case.

DR BYRON: Okay. Warren, do you want to ask some questions?

PROF MUSGRAVE: No, I think that most of the things I wanted to ask about have been covered. There's just one point that comes up consistently in your summaries, Clay, and it's that the costs to the farmers or the costs of the exercise exceed the environmental benefits. Now, that may well be the case, but how do you know?

MR MANNERS: Well, we have to make a judgment about it. Indeed you'd have to make a judgment anyway because you'd have to quantify - it's very difficult to quantify an environmental benefit. Well, the prima facie, I think the judgments

we've made, they're pretty straightforward.

PROF MUSGRAVE: So in a way you're saying there's no way the value of these environmental benefits could exceed those costs.

MR MANNERS: The three trees - take for example the Tripod Farmers, the cost to Tripod Farmers of the whole exercise has got to be, well, pushing half a million dollars, and certainly several hundred thousands of dollars. The question is how much are three gum trees worth? Now, they're good gum trees, but are they worth \$100,000 each?

PROF MUSGRAVE: And they're not the only three in the area, are they?

MR MANNERS: Well, they're only two per cent of the gum trees in the area, and - - -

PROF MUSGRAVE: But this comes back to the process that the way the system works at the moment, nobody has to make any sort of assessment about whether the environmental benefits are so high that they outweigh the economic and social implications. It just says, "Would it be environmentally beneficial to have this bit of the native vegetation rather than not having it? Yes, therefore, keep it." You don't have to say, "Well, is it worth \$2 worth of environment to lose \$100,000 worth of production." That comparison that we're talking about, which may be quite difficult to make, but at the moment nobody even has to ask that question. Is that right?

MR MANNERS: That is really the thrust of what we're trying to say, I guess, the most important thing we're trying to say.

MR HARDS: But it was touched upon with the Croft situation some years ago in early negotiations that the government department offered to buy some of this land off the Crofts and the Crofts would then buy other agricultural land to pursue their farming. They were prepared to offer them between \$5 and \$10 an acre for the land with the scrub on it, whereas public land - private land at that time for sale was in excess of \$100 an acre. So, you know, it doesn't put a very high value from the department's point of view on their native scrub.

DR BYRON: Well, that's what I was trying to suggest before, if a government agency had a finite bucket of money and they had to ask themselves, "Do we really want to lock up this bit of native vegetation, given how much we'd have to pay to do it, or would we be better to go and talk to somebody else down the road or in the next shire or in the other end of that state? Could we get more conservation bang for the buck by spending our money there?" Now, as I say, at the moment it doesn't seem to me that they have to do that sort of prioritising exercise to say, "Is it really worth it? Would we really want it, if we had to pay for it?" One of the things that was

presented in the hearing yesterday was the idea that it put a sort of discipline on the agencies if they had to actually cough up every time they wanted to set aside a particular area of vegetation. When you don't have to pay for it, everything looks like it's worth having.

MR HARDY: I think that instance is certainly comes out very clearly in the land stewardship program. It's a pilot program we're working with the government on, and they quite clearly state that the government won't pay anything for land stewardship to protect and enhance native vegetation on private land. They're looking to develop some other sort of market to create a pool of money that would pay, but the government certainly aren't prepared to put money in themselves. So they obviously value it at a low point.

DR BYRON: What your submission, and many others that we've received, have been arguing is that there is a very real cost of setting aside areas of native vegetation for conservation purposes. Then the question is, "Well, who is going to wear this cost?" Should it just be the poor bunny landowner who happens to have it because he has been looking after it for the last X years or should it be, you know, taxpayers as a whole or consumers when they buy eco-labelled produce or - but, you know, somebody is going to have to wear this cost.

It's sort of a distribution or equity question of whether it's reasonable that a relatively small number of people who happen to have freehold land with native veg on it should be the ones who wear all the cost, or can we think of some more creative way. I mean the cost is there. You can say, "Well, let's try and minimise the cost," but there's still going to be a cost and somebody is going to have to pay for it, and then we can argue about well, who pays and how.

MR MANNERS: Of course when the cost to the government is nothing I think they are conserving more native vegetation on private land than is justified. So once you've introduced a system of discipline into the judgment system the amount that you will - you know, will be - the amount we conserve will be less than the current amount because you are applying a cost to it. I think we'd agree 100 per cent with the concept of introducing a discipline into imposing these costs on private land-holders. The concept of providing a budget, for example, and allocating that to the highest priority seems a sensible way to go, because at the moment if it doesn't cost the government anything or doesn't cost the bureaucrats' budget anything of course it has to be saved.

PROF MUSGRAVE: Except for the point you made very well this afternoon, it is costing them something.

MR MANNERS: Yes, yes, yes.

PROF MUSGRAVE: Their enforcement of regulations is costing them more - an enormous amount.

MR MANNERS: Yes, pretty high transaction costs involved, yes.

PROF MUSGRAVE: An unknown figure.

MR MANNERS: Yes.

DR BYRON: Can I just come back to the other point you made when you're talking about the EPBC at the beginning of your presentation. I may not have heard you correctly but did you say something along the lines that they were more interested in enforcing the EPBC legislation rather than achieving conservation objectives?

MR MANNERS: Well - - -

DR BYRON: Because that sounds like a pretty interesting dichotomy to me.

MR MANNERS: I mean our view is that this - the native - what we're talking about, this particular native - this particular nomination, that is, western plains native grasslands, which is a very much reduced ecosystem in the - that's the one, yes. In the conservation documents the suggestion is that it's down to 5000 hectares out of original area of 2 million-odd hectares. To declare 2 million hectares and impose all of the transaction costs associated with that it would seem much more sensible to us to say, "Well, where is the 5000 hectares" - of which only half is on public - private land. So I mean presumably the government can do what it likes on public land. "Where is it? Who owns it? What sort of deal do they want to be done to protect it?"

The costs involved in doing that would seem to us to be, on the surface at least, much, much less than the costs associated with declaring 2 million hectares of Victoria and having all of the farmers within that area go through the hoops that are necessary for the EPBC Act. Now, we raised - and, you know, 2 and a half thousand hectares isn't a lot of ground. It's quite a manageable problem. We raised this with the environmental - the people who came down to brief us on the process but it wasn't an issue that they were prepared to discuss. The issue they were prepared to discuss was the process for enforcing the act.

DR BYRON: Yes, but you're proposing a very simple, workable, practical thing that actually would achieve the result that they're trying to achieve.

MR MANNERS: Well, that's what we thought, yes.

DR BYRON: Yes, okay.

PROF MUSGRAVE: I mean here is something where you did have a pretty clearly defined outcome that the small remnant vegetation is to be preserved. Now, could we sit down with the relevant land-holders and negotiate a way of doing that; seems very sensible.

MR MANNERS: The VFF would be quite happy - I mean the VFF has a long history of involvement in natural resource management issues. I mean Landcare started as some VFF branches working together back in the 80s. We would be quite happy to work with the Commonwealth in terms of helping identify, work through with the landowners, do all that sort of stuff. I mean - and that's, you know, something I can say, I think the organisation is quite good at. But I mean we just didn't get traction on it.

DR BYRON: Well, the other recurring theme that seems to come up in all the hearings that we've held in the meetings all around the country is the sort of breakdown of communication and trust between land-holders and environment protection agencies, whether it's national park or the DSC or, you know, Department of Natural Resources in Queensland or whatever. The land-holders and their representatives like you are talking about land-holders as good environmental stewards, as good managers, people who want to hand on a sustainable, viable, working property to their kids. The legislation seems to be written on the assumption that all land-holders are ecological vandals and rapists who just can't wait to bulldoze some rare and endangered species.

Now, you know, you've got polarisation, I think. The truth lies somewhere between those two extremes. I'm not saying where. But as long as it's sort of polarised you can't build the sort of trust which I imagine would have to underlie a long-term workable relationship. I mean eventually, one day, you know, land-holders and government agencies are going to have to come to something that's sensible and reasonable that's workable. But that is going to have to be built on some sort of trust and mutual respect and understanding, being able to talk the same language, I think. We seem to be a long way from that at the moment.

MR HARDS: I think one thing that upsets farmers on private land is - I think Harry touched on it in his presentation - was the - you look over the fence into the public arena and you see mismanagement, weeds, vermin, you know, all of the things we are compelled by legislation to avoid and the government can do that willy-nilly on their property but we have to abide by a different set of rules. Now, I think Harry said it quite clearly, when the government have got their patch in order then come and talk to us.

PROF MUSGRAVE: That's an interesting requirement.

MR HARDY: Well, it's true. We can take you and show you lots of instances of that, if you wish.

DR BYRON: One thing that - one concept which is relevant here is over the duty of care. I think most interested parties pay lip service at least to that but there seems to be pretty general agreement that it's a difficult concept to make operational. Do you see any way in which we can make some progress towards making it operational?

MR HARDY: Yes, look, I think duty of care is with all land-holders and I think you touched on it earlier when you said that, you know, one of the prime focuses of most land-holders is they pass their land on to the next generation in better condition than they took it on themselves - see that as a, you know, part of that whole thing. Of course that's the priority of farmers. If they don't look after their land and preserve their land and the quality of their land they won't survive. It's all part of sustainability. You know, I think that's becoming more the focus of the current generation of land-holders than perhaps has been in the past. But, you know, certainly that is, I think, a duty of care that the land-holders - - -

DR BYRON: I wonder if the farmers in the locality would be able to make a better fist of defining what duty of care constitutes in their locality than people who bothered about the concept in a very broad sort of state-wide national sense?

MR HARDY: It varies quite substantially from area to area as well.

DR BYRON: Yes, I should think. But I would have thought - - -

MR HARDY: But I thought that was why they were going to have these regional native veg management plans that would take into account the fact that west Wimmera is very different from east Gippsland in topography, rainfall, resources, land use potential and, you know, everything else. So you can't have a one size fits all across the state. Now - - -

PROF MUSGRAVE: But that's very top-down, isn't it? It's not a community - - -

DR BYRON: Yes, the regional - - -

PROF MUSGRAVE: The regional - - -

DR BYRON: My understanding is that the regional native veg management plans are actually drafted at the regional level, aren't they, and then they come to Melbourne?

MR HARDY: Yes, that's another story. It was originally developed by the CMAs,

the catchment management authorities, there was a regional native vegetation plan which was drafted some two or three years ago. They've been shelved for a period of time. Now we've got the framework, the native vegetation framework, come out. So these native vegetation plans on the regional base now have to fit under the native vegetation framework, so they've been substantially altered by the bureaucracy without any consultation with anybody at all.

DR BYRON: So even if they were representative at the regional level - - -

MR HARDS: So they become very generic because they have to fit with the native veg framework.

DR BYRON: They all come out plain vanilla.

MR HARDS: Absolutely.

DR BYRON: Okay. We've gone well over time, which I don't regret for a moment, but we do have to give Mr Holt and Mr Davis a bit of time that we promised to them.

MR CROFT: Just one other thing I wanted to say, sir - - -

DR BYRON: Hang on, can you just - if you're not at the mike we can't get it. So I don't want to miss out on anything you're saying, that's all.

MR CROFT: There's just one other thing I wanted to say, is that you were saying about getting people to agree. On our case two permits that we've asked for at different times, the shire councillors in our area, Mildura Shire Council, have agreed but the DSE have refused. So I mean that's another issue whereas they won't agree together, how are we going to be able to get, you know, farmers and DSE to agree was well? It's a very hard issue.

DR BYRON: Yes, no, that's a very good point, thank you.

MR CROFT: Thank you.

PROF MUSGRAVE: A weakness there, I gather is that the - once again you get over that 10 hectare level but if the DS and E objects it prevails. There's no scope for negotiation between the local body and the DS and E.

MR HARDS: It all boils down to interpretations as well.

PROF MUSGRAVE: Sure, yes.

MR HARDS: Thank you very much for hearing us out and accepting our road

show. We appreciate it very much and hope we've - - -

PROF MUSGRAVE: Very good to see that they've got better cameramen in the bush than in the city.

MR HARDS: We don't pay him for his camera skills.

PROF MUSGRAVE: Okay.

DR BYRON: Thank you very much for your patience, Mr Davis, and for hanging around and being so tolerant with the rescheduling, and thanks for coming. Would you just like to summarise the main things you wanted to say and then we can talk about it.

MR DAVIS: Thank you, Mr Chairman, other members of the panel and the participants. Good afternoon, Murray Davis from Dergholm in far south-west Victoria. I'm sure that farmers are very concerned for the environment and like to take a pride in their farmland. I consider myself as a conservationist as well as a progressive grazer. Running a productive farm is a challenge while retaining the biodiversity aesthetics of the area, so I guess they go hand in hand. How often do we hear an outcry on the impact to the environment with the continual urban sprawl within our capital cities? Very seldom, if any.

What was once prime grazing land is a sea of rooves, factories or houses. These require freeways to the city, six to eight-lane freeways. Water is required, power, gas, sewerage. The above is very costly in dollar terms, as well as the cost to the environment and also the costs in servicing and keeping it pollution and environmentally clean and green. Yet people don't look at the costs to the farmer in keeping his patch clean and green or the costs financially that he has to put in to keep his farm up to scratch in running a productive grazing or cropping enterprise.

Actually it was our case - I feel we have been a little handicapped. Actually my father passed away when I was very small, some 50 years ago. A number of the parcels of land that we did own at that stage were sold by the executors from time to time. We have been able to buy a little bit of it back. I feel fortunate we still have quite a bit of the land that we can keep grazing. In 1989 I did sell a parcel of land to the south with a plan to use the proceeds from the sale to develop more land with the standing timber on it. That was the year that the Cain government introduced regulations under the Planning Act that prevented me from developing this land. There was no compensation for loss of this land or the loss of future income.

A large area of our district has been bought by tree companies and planted the blue gums in the last five years - not as though we are free of any timber or native vegetation. In fact I would say 75 per cent of the area is under trees or native vegetation, as well as the pine timber companies which extend to the South Australian border; they are very huge. By developing 160 hectares of this land of ours it would be possible to run up to, as mentioned here this afternoon, 2800 DSEs extra. This would turn the farm into a more viable farm enterprise, adding perhaps around \$25 per DSE.

My wife Lorraine, she's a joint partner in running the farm business. I have a daughter, Christina, who is a university student and a son, Andrew, a wool classer and has been doing various TAFE courses and is very interested in pursuing the

family farm. I've been involved with the VFF for a good number of years, the land care movement since it started, the Beswell 20-10 Group, the Rural Fire Brigade and the local community. In fact there's very few people left in our community. 23 people have moved out; they have sold blocks to the blue gums. So we were very small in numbers prior to five years ago. We are very, very small in numbers now. Also, when you get fewer people on the ground you get less services and so the thing snowballs.

These regulations I find are very confusing. As has been mentioned here this afternoon, the fence lines is one example, farm tracks, fire breaks. We get very conflicting feedback that you're now allowed to have a farm fire break. Farm tracks have got to be narrow so one vehicle can get through and perhaps not pass an oncoming vehicle. Out in our area, which is heavily treed with native vegetation, we are in a 700-millimetre rainfall area. It's not as though we're a dry area. In fact, to keep the vegetation there it's quite easy done with the amount of rainfall we have over the years. We've planted trees and shelter belts, fenced out the creeks, and we have an aim and vision for the future, is to leave the farm in great shape for the next generation. Thank you for the opportunity to address you today.

DR BYRON: Thank you very much, Murray. In the submission and just now you talked about how you fenced off waterways, you've planted native trees, you've put up areas for revegetation, all those sorts of things. Could you just elaborate a bit more on your and Lorraine's motivation behind doing this? I imagine that it's partly about wanting to leave a viable, sustainable, well-managed property for your son. But, you know, did you get encouragement or assistance with any of these sorts of things?

MR DAVIS: Looking back to about 1985 when the Potter Farmland Plan started up - - -

DR BYRON: Yes, I remember.

MR DAVIS: - - - experimental sites or sites in Western Victoria there, I took a liking to what they had done and could see what they had done, the effects of seepage lines, drainage lines and all that sort of thing, to fence those off. I thought it really enhanced those properties. So we went along and spoke to NRA or whoever was handling those things at the time and we did get civil grants to fence off our drainage lines, direct drill seeds in and, you know, the trees have grown and in some places done very, very well and, you know, it's an ongoing thing where we've fenced off most of the creeks. Some places we haven't planted trees but the native vegetation has come back because it's been there at any rate; it has been tremendous.

DR BYRON: I mean, my reason for asking the question is that, as I said before, a lot of people seemed to think that the only way you can get land-holders to do

anything about either protection or restoration of native vegetation is, you know, beat them around the head with a big stick and tell them by law that they're forced to do it. But what you've just told us is that people like yourself, if you see something that works and it's actually good for the property and enhances productivity and sustainability and all those sorts of things, you go for it. So do you think that too much big stick sort of regulation is actually turning people off from doing those sorts of things now? I don't want to put words in your mouth, I'm sorry.

MR DAVIS: But it is a possibility. People don't like to be told what they should be doing. But if they are prepared to meet the challenge and concede that there's benefits there, I'm sure they will get out and have a go. Like, we've changed our operation from during the 1990s of very low wool-producing prime land and diversified enterprise system, joined the Beswell 20-10 Group in the last three years and could see what people have done there. So I've turned the whole thing around by spring lambing, autumn shearing, whereas we had done the traditional things over many years and during the 1950s we could see we weren't making any headway. In fact we were going back and with my son coming home, being enthusiastic, I'm prepared to amend my ways and I'm certain, you know, we've learned a lot, have more productive pastures, starting to deal with the newer species which produce a lot more, and I think it's the same as fencing off your waterways and plantations and all that sort of thing, you know. They go hand in hand, akin to one another.

If we want to stay in business I think you've got to do these things to keep the farm up to scratch and up and running, otherwise as I'm ashamed - when I look around and see some of the people that are farming like their grandfather did 50 years ago, you know, and they're only living there as a way of life, I guess, and not running their business or their farm as a business, which I feel we should all be aiming to run it as a business.

DR BYRON: Some of them are going broke slowly.

MR DAVIS: That's right.

PROF MUSGRAVE: So some of this earlier work, did you see it as having imposed a cost on you, either directly or in terms of forgone income, or is it all complementary to the farm business?

MR DAVIS: I guess there has been a cost to a certain extent, but I guess over the years it's paying itself more than threefold over.

PROF MUSGRAVE: So you would say it was in your interests to do it anyhow.

MR DAVIS: That's right. When you look at the value of the farm in the long run - admittedly it's a few dollars out of the pocket to start off with, or when you're up and

running, and you wonder whether this is all worthwhile. But I'm sure when you see the aesthetics of the farm and how nice it looks, you know, with the trees in the waterways and all that sort of thing, you're a mile in front, and I guess it add value to the property.

PROF MUSGRAVE: I'm sure, yes. Given your involvement in land care and you've been a chair and so on, where do we go from here? People are saying land care has sort of plateaued and we've taken it pretty much as far as it can go, and that if we're going to see more of this sort of activity with this grass roots involvement in natural resource management we perhaps will need to change the way we go about this sort of activity. Have you had any thoughts about this? Do you have a sort of a crystal ball that - - -

MR DAVIS: Well, it does worry me because the average age of the farmer is getting older.

PROF MUSGRAVE: Yes.

MR DAVIS: And the younger ones aren't staying home on the farm, although the last 12 or 18 months, two years, maybe better returns, a few people are starting to think about the sons staying home. But I'm sure it's that generation we've got to be aiming for, whether to get them active in Beswell 20-10, the VFF or any farm organisation. It's the same sort of thing as being keen on their farm, to get into this land care business or Beswell or cropping, you know, Buscheck for - what is it, the dairy farmers and all that sort of thing. I think the young generation are the next people that are going to be the next generation of farmers and we should be aiming to get them involved and get them keen and enthusiastic - that's probably the word - and I guess better prices, more profitable farming enterprises, does get people keen. But when the value of farm produce drops, people sort of throw the sponge in a bit and go elsewhere for work or whatever.

PROF MUSGRAVE: Okay, thanks.

DR BYRON: You also said in the submission, it intrigued me, is that the recent shire valuation valued land with remnant native veg at approximately \$100 per hectare while productive grazing land is valued up to 1000 per hectare. Now, that seems to me like an awfully big differential that's much, much more than the actual cost of clearing it. So, you know, as an economist that sounds to me like there's a bit of a shortage of cleared land or that there's a high demand for already cleared land but not for native veg land.

MR DAVIS: Well, for sure it is, because who wants native veg land? No-one wants it, whereas now with a big interest in primary industry and since the drought has happened, the blue gums came and put a floor or raised the floor of the price of

the land out our way and it has never come back, and since the drought has happened people have come from the dry north to buy land in our area for what few farms there has been for sale and they have certainly, you know, put the price up. But also I did speak to a valuer and he took it as though the native vegetation had very little value and you can't really sell it because no-one wants to buy it at any rate. So he sort of put a nominal value on that land.

DR BYRON: In other places where we've been, the nominal value that they were putting on the land was zero or one or sometimes five dollars an acre. But 100 seems pretty good. I understand the blue gum people won't buy land that has got more than a certain percentage of native veg on it because they're not allowed to push it - - -

MR DAVIS: That's right, yes. They've bought a lot of land in our area which has had native veg on, but there has been huge areas of land not sown because of the native veg. So they've just planted around the perimeter of the stands of timber. But unless they have got permits - and they've probably done, you know, what they thought was reasonable and fair.

DR BYRON: Okay, thank you very much for coming.

MR DAVIS: Yes, thank you.

DR BYRON: And thank you very much for your input. It has been helpful and, yes, good luck.

MR DAVIS: Thank you very much for listening to me and all the best with the rest of your inquiry.

DR BYRON: Okay. Thank you very much for waiting, and sorry we're a bit behind schedule, but - - -

MR HOLT: Thank you. Reg Holt from Wedderburn. Subsequent to my submission which I sent to you regarding native vegetation issues, probably the first word that I could say that describes the attitude of the farmers in our community to the native vegetation controls would be savage. We're absolutely at our wits' end at the stupidity of the law enforcers and the way that they're hindering the development of the properties and the productivity of our area. Our particular region is not cleared of all the timber. It was very early settled - it was settled in 51 when they found gold - and it's been inhabited and it was selected under small titles, as was the custom in England in the time, and there were significant areas of ground which were put aside for native vegetation.

The old Shire of Korong boundaries that existed under the Shire of Korong, 21 per cent or 22 per cent of the Shire of Korong was unrateable, simply because it

was covered in timber. Now, that's a big percentage of the area of what the old Shire of Korong was. So that tells you that within that Wedderburn region, there are significant stands of native vegetation. The farms that are in the area, the topsoil is shallow, it's very low in phosphorous, it's very harsh country. It grows good stands of timber, and during the wars, when they had to create charcoal, the timber was harvested and it was used to create the charcoal for fuel for the cities and whatever else. But not all the timber was cleared. Stands of timber were left aside on private property and including ours, which were to be farmed for posts, for whatever particular needs there were for the property.

We farmers in the area had our farm plan in our head, if you like. We knew our soils. We knew what we needed to maintain to keep our production, and we planned for the future. But because we haven't set it down on paper and give it to some bureaucrat to file away in a cupboard draw somewhere, they say it doesn't exist. Well, I'd argue and say the mere fact that the timber stands remain there is evidence to the fact that we had the planning in our heads of what we wanted to achieve in the long term. I've probably taken the different direction to the VFF in relation to negotiating a settlement or an outcome in relation to native vegetation on private land properties, because I tend to believe that when we purchased the land, the instructions that were written in accordance with purchasing the land is that you were owned all that grew upon the land and you were able to exploit that for the earnings of your income, and you owned it to a depth of 10 feet in some cases, 50 feet in others, and the only thing that was excluded under those titles when that was issued was the ownership of the minerals that was within the soil.

So the land was purchased by ourselves and my father on the basis that what was written on the titles was going to be the way that we could farm and treat the land into the future. Now, in a farming operation, it's long-term. It's not as in a lot of cases for business, which looks at a three-year or a five-year return. You look at agriculture and you look in the 30 to 40-year terms. We have paddocks on our property which haven't been ploughed in my lifetime, but they are cleared, open grazing paddocks, and we haven't had the need to go back in. They're getting to the stage now where it's time to go back in and to re-establish more productive pastures than have been there in the past.

We haven't been a farming group, and I say a group in our community, who have gone out religiously with sprays and sprayed every seedling tree that has come up. We've allowed the revegetation to come up and we've assessed those trees with the understanding that when the time come to crop it again, we would take that timber out and plough the paddock, re-establish and pastures and continue, and we'd use that timber for either firewood or posts or whatever was necessary at the time. These new native vegetation restrictions have stopped all that, because we haven't got each individual tree marked on a map put in under a planning permit to the shire to say that we have plans for this seedling that's germinated, to say we're going to cut

it down. To me, that's lunacy. It's stupid.

I have no objection, and nor do the people in our district, if the state decides that it has a vegetation problem. If it has released too much land into private ownership and that has been cleared, then we and I are prepared to contribute to the reforestation of the state. But you have to find a mechanism to reintroduce that that is fair to everyone, and the system that's being put in place at the present moment is not fair, because if the farming community is only two and a half per cent of the population and there's only 10 per cent of that population who has native vegetation and who are bearing the brunt of the reforestation push, that's a very unfair outcome to those people.

I personally believe that the community needs to set up a fund, whether it uses Telstra money or it uses some other source wherein we have \$100 per head tax per year or whatever it is to establish a fund, and those who know more than I can go out and when Reg Holt wants to sell his farm and puts it on the marketplace, they can come along and they can go to the auction and they can bid for that farmland, and they can go in, if they purchase it, cancel the titles, assess the soils, determine the areas they want to replant to native vegetation to link with corridors or whatever purpose that they choose. They can then re-fence it, draw up the new titles which exclude those areas, assess the arable land, create new titles for that arable land and sell that back into the community for the agricultural purposes to continue.

That has a number of benefits. Firstly, it achieves the aims of the state of establishing the revegetation across the state that it believes is necessary. Secondly, it create a marketplace for Reg Holt, when he retires, for his land to be sold to, because Reg Holt's land might not be suitable for agricultural purposes other than what he did, and there may be nobody in the marketplace who wants to buy it for that particular agricultural purpose in the future. So it gives the farming community a backstop in terms of agricultural price to sell their commodity, their land when they retire. The third is environmental benefits that are gained by the community by establishing and retaining the native species that may have biological impacts or biological benefits into the future. So there's three outcomes there that I see as positive by doing it in that manner. That, I think, is one system by which it can be achieved.

If the government doesn't want to do a system whereby it's going to be fairly spread across the total community, then it has to do something within the community to show the farming community that it's not being victimised in relation to native vegetation, because as has been stated by the VFF earlier, the government used to put in place requirements that land was in fact cleared. If you didn't clear it, there were some persons who, when they didn't clear it all, lost the land. It was taken off them. So the publicity that has been put forward by certain groups in saying that the farmers have been irresponsible in clearing the entire landscape really aren't being

fair in their analysis, because it's in fact a government decree that has created the clearing push, and the farming community merely complied with the rules and regulations that were put in place by government at that time in doing the job.

The analogy which I like to make in relation to the unfairness of the Native Vegetation Act as it is at the moment would be to consider the metropolitan area and all the houses built in the metropolitan area. If you consider that we have 130,000-odd homeless people within the community, it would be fair if the government brought out a similar rule to say that the spare bedrooms in every house, or one bedroom in every house within the community, should be set aside for the homeless, and therefore you would have to supply that room. The homeless person who came to use it, you couldn't deny them access. You didn't charge them any rent. They had access to the toilet, the bathroom, the fridge, effectively access to your house, as native animals and trees, et cetera, have access to our farmland in the same sort of manner. The government is wanting 25 per cent of the young gentleman's farm as off-sets. If there's a four-bedroom house, let's have 25 per cent of the bedrooms allocated to the homeless as a fair off-set.

That might sound extreme, but this issue is so important and so passionate amongst the farming community that the only way that we can get the whole community to understand what it's doing is to come up with a scenario that it's going to affect them in the same manner that it's affecting us, because we're actually, by having to retain native vegetation, not allowed to harvest it for timber sales, not allowed to harvest it for posts, not allowed to clear it to grow grain or to run sheep or whatever else, or to plant trees, as the other young gentleman wants to. We're foregoing income which is to sustain ourselves and our families and to grow into the future, for the rest of the community to benefit from the retention of native vegetation.

At the moment, the system is not fair. It is totally unfair, and I have strong doubts that no matter how good your recommendations in relation to this are, that we will see very limited change in the outcomes the government does in relation to the native vegetation, and that's a political analysis, simply because 12 per cent is perceived to be the vote of the conservation movement within the community who don't want to see any more trees being cleared or grasses being cleared, or any threat to the vegetation of the state. I perceive that the conservation movement has taken the step from being an area of concerned people to almost becoming an area of religious-like status, because people are becoming zealous in their implementation of it, without regard to the impact of their decisions on other members of the community.

So I don't envy you in writing up your recommendations, but I wanted to make sure that you understood that the farmers within my area - and here were about five or six of them who just yesterday were going to come and be supportive but when it

came time said, "I've got to shear some sheep," or, "I've got to do something else."

DR BYRON: That's fair enough.

MR HOLT: We are concerned, we are passionate, and we want a fair outcome for us in relation to it all. If we don't go into our paddocks for 20 years because we've got the pasture established and we keep fertilising, et cetera, we don't want to have our hands tied behind our backs, to have to have planning permits to go in and clear the regrowth that's established in that time, or to be able to get a permit to plough the paddock up because we want to establish our pastures. We have to be able to do our farming operations. We can't afford to sit round for the number of months that I have in relation to this fencing thing. It's only fortunate that I'm cropping that piece of ground so there's no livestock pressure on that area at the moment that I can actually stock - well, I don't have to stock it, and the ground can still be used productively. But if livestock had to go on a permanent basis, then I've got a real problem. Thank you for your time. Do you have any questions?

DR BYRON: I guess one. It's probably a bit more of a comment, but what you were describing before about the government having a bucket of money and then going out to decide what was really important and either buying it or making a deal, that sounds to me pretty similar to the way I understand the Tasmanian system works, where they had a bucket of money and they decided that there were certain types of native veg that weren't in any of the national parks because it only occurred on certain soil types and valley bottoms that were the first pieces of land that were freehold. So they said, "Okay, if we want to have that sort of stuff, well, we want to make sure it's protected, either in our national parks or, if the landowner is happy to look after it, we're going to make a deal with him."

MR HOLT: Yes.

DR BYRON: So they got the map and they worked out where it was and they went and found all the land-holders, and they made commercial deals.

MR HOLT: Yes.

DR BYRON: We've actually gone and spoken to many of those land-holders and asked them questions like, "Well, how much did it cost? How much did you have to give up in order to lock up this sort of back rocky paddock or whatever?" Some of them said, "Well, not much, really, because we never - we've been here for a hundred years and we never wanted to clear that area anyway, because it wouldn't have been worth clearing because the production" - so most of these people who have actually gone into these commercial deals in Tasmania that we spoke to seemed to be pretty happy, you know, that they'd made a commercial negotiation. They weren't bullied into it with the gun loaded, cocked at their forehead, but, you know - and it's also

required that state government to think very carefully about bang for the buck.

MR HOLT: Yes.

DR BYRON: They had a limited amount. Now, that's what I was saying before. At the moment, when a government agency doesn't have to pay to lock up an area, every area looks like it's worth locking up.

MR HOLT: Every tree.

DR BYRON: Every tree, every branch.

MR HOLT: Every tree, every branch.

DR BYRON: Yes. But - - -

MR HOLT: And that might seem funny, but it's not, it's serious. It's exactly how they assess it.

DR BYRON: One of the things that we're required to do with this inquiry is make recommendations to the Commonwealth, and ultimately to the states also, about ways that they can actually deliver at least as good, if not much better, conservation outcomes than what they've got at the moment, and hopefully also of much less cost to the taxpayer and to the landowner.

You've been hammering the point that it's unjust and you're in the queue. There are about 1000 other people who have already made that point to us loud and clear, but the other part of the argument is that hitting people over the head with a big stick isn't a very good way to establish a long-term partnership relationship, especially when the people you're hitting with the big stick are the ones who are already either doing the right thing or trying very hard to do it.

There may well be some recalcitrant people at the other end of the spectrum who won't look after places of high conservation value or won't do any regeneration or fencing off, whatever, unless they are absolutely forced to, but it just seems to me to be extraordinarily counterproductive when you've got people who are already doing the right thing or trying very hard to do the right thing and yet they're being hit round the ears with a big stick all the time when a bit of cooperation or a bit of not necessarily money but even a gold star and a packet of jelly beans sometimes would do. Being hit over the head with a big stick isn't a good way to get people to help. That's at a purely practical level.

MR HOLT: Absolutely. It's got to be a practical outcome, doesn't it?

DR BYRON: The regulation is simply annoying people rather than getting them to go in the right direction.

MR HOLT: We're in the position now where we're going to have to make sure that nothing regrows on our property. We've got to go out now and I've got to employ somebody, or I've got to do the job myself, to go out with a bucket of spray and I've got to make sure that if I see a plant germinated I spray it. I can't afford to let it grow, because 10 years gets away like that on a farm and all of a sudden the thing you're not allowed to touch. It's not on. That's counterproductive to what you're trying to achieve, because even if the tree is there for say 15 years, it's flowered, it's blossomed, it's done whatever, and the birds have had a feed on it, if that's an important aspect of the outcome, during that period of time. It had to come from somewhere, so obviously there's an older tree in the region that's germinated the seed onto the ground in the first place, so you're not totally clearing everything, and you get benefit from the shade and the windbreaks and all that as well. Anyway, thank you very much for your time.

DR BYRON: Thank you very much for putting that on the record. We've heard what you're saying. Thanks very much for coming.

DR BYRON: As always when we get to the end of the day's session of play, we ask if there's anybody else in the audience, either people who have already made a presentation of evidence or anybody who's thought of something that they meant to say that forgot to or somebody who wants to add to or contradict what someone else has said. It's an open invitation for anybody who wants to put any parting words on the record. Mr Tippett.

MR TIPPETT: There's one thing that I've noticed with all the hearings there have been: that the department are extracting tremendous penalties for people when they come to make inspections. These departmental people are being paid by us taxpayers whether they are out harassing somebody or not, but the department is looking to farmers to compensate the department to harass them.

DR BYRON: I think that's called the user pays principle, where you have to pay the policeman to come and issue the speeding fine or something, but that's probably not a good comparison. Okay, thank you for that. You've been very patient. Maybe introduce yourself again before you make your point.

MR JACK: Thank you, Neil. It's Ian Jack. I spoke to you yesterday morning. I've sat through most of the two days' hearings and the observation that I took in was that it's been very much a grievance period that you've conducted over this time. I think there's been much forthcoming of the issues and concerns, and we welcome that as being a participant in that, but what I see is that they have concentrated on the problems and have had little time to consider some rectification of that. I wondered about the possibility of another forum and venue of this sort where possible solutions could be aimed at you or discussed or kicked around as the next step in this process.

DR BYRON: That's a very good suggestion. We'll take that on notice, I guess, and think about it. I'm not sure if you're aware of the way our commission inquiry process overall works. We're required to produce a draft report for public discussion and debate and everything else, which will come out in about the first week of December.

MR JACK: Yes, I understand that.

DR BYRON: Then there will be more hearings and all the rest of it. In that draft report we will have sort of sifted through all the suggestions, proposals that we've received from all the hearings in all the states plus the meetings that we've had and all the other people that we've met. You may well be right, that having another sort of a public meeting, town hall brainstorming sort of session would be a useful way to get beyond the grievance level to saying, "How do we go forward from here?" I think the VFF submission, for example, made a very, very clear list of what's wrong and what's not working and why it's not working. But, as you say, that's the diagnosis but we still have to figure out, "Okay, what's the solution? What's the

remedy?"

MR JACK: Absolutely. The draft report that you will prepare will no doubt be prepared under your guidance without another external input from the participants.

DR BYRON: We will be continuing to go round the country to talk to people basically all the time until that draft report comes out. We have the option of scheduling more hearings or having an informal town meeting in Wangaratta or Hamilton or anywhere we want to go if there's a call for it and if people are interested in coming. Actually, as you've probably heard, Warren asked just about everybody who sat in that chair, "How do you think we go forward from here?" As you I think very perceptibly observe, people are so busy in sort of stating the complaint that it's hard to think of what the answer is.

MR JACK: Yes, that's correct. The way the Productivity Commission called the inquiry, the effect of biodiversity on the productivity of the farmer - but it didn't call for, "What are the possible solutions?" They're two separate sort of instances. But you've addressed my point.

DR BYRON: We were asked to do this by the government. The name Productivity Commission is something of a historical axiom, I think, and it doesn't mean productivity in the sense of agricultural yield of tonnes per hectare, which is the way some people sometimes - so the commission as an organisation is much more broadly concerned with trying to pursue overall economic, social and environmental policy and making sure that things work efficiently. But I think you're right, that we need to go beyond the complaints process.

But again just on that point, the fact that that's very much what it's been suggests to me that maybe there's a lot of people who've had nobody else they can complain to and so they're coming to complain to us.

MR JACK: Absolutely. Who else is there to complain to?

DR BYRON: That may itself indicate a problem.

MR JACK: Truly it is. There is a very limited opportunity to take your case anywhere unless you've got a refusal of a permit. You've got VCAT to listen to and you hear some of the outcomes of VCAT, which are quite distasteful in any case. There is not the opportunity. But I would ask a question as to whether it is possible to furnish further information on possible suggestions to the way forward at this late stage, or at this stage.

DR BYRON: The way our process works is that basically anybody can put in a one-page email or a follow-up letter or a fax or a tape-recording, whatever. Just

because you've already put in a submission and we've already held the hearings doesn't mean that nobody is allowed to contact us any more. But I think what you're saying is that it's not just isolated individuals who happen have a suggestion they want to throw into the hat; maybe we need to go out there and try and get together some people just to brainstorm on how to go forward: let's take all the complaints as given, so we know that, now what?

MR JACK: Yes, that's my point, as to where we're going to.

DR BYRON: Yes, that's a good point.

MR JACK: Okay, thank you.

DR BYRON: Thank you very much, Ian. Okay, Rosie.

MS VULCZ: Rosemary Vulcz. The question I wanted to ask: is the state government of Victoria participating in this inquiry and helping you?

DR BYRON: That's a good question. I haven't recognised anybody from any of the state agencies in the room yesterday or today. We haven't as far as I know received a formal submission from the Victorian government. They may well be preparing something that might be on the desk on Monday morning, I don't know; they may not. We have had informal discussions with them just as we've had informal discussions with thousands of other people all round the country. So the short answer is I think they are.

MS VULCZ: It would be helpful if we're trying to find solutions if we could hear from them as to why they believe a big stick is needed. Perhaps you could pass that on.

DR BYRON: I suspect that they will read the transcript carefully when it comes out. They may feel that their ears are burning a bit, that people have been talking about them for these two days.

MS VULCZ: As far as rural Victorians are concerned, they refused to participate in the fire inquiry, and now we come to another major issue for farmers, which is native vegetation, and once again we don't see them here. I believe that they should be more interested in rural Victorians' comments. Thank you.

DR BYRON: I can't comment on that at all, I'm afraid, but thank you. On that note, I really would like to thank everybody for their participation today or yesterday

or both. I can adjourn these public hearings and we'll reconvene in Hobart on Monday. Thank you, ladies and gentlemen.

AT 5.04 PM THE INQUIRY WAS ADJOURNED UNTIL
MONDAY, 18 AUGUST 2003

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