

Position Paper on Native Vegetation Retention

The East Gippsland District Council of the VFF welcomes the opportunity to contribute to this important issue. We approach it both knowing the benefits of a coherent plan to conserve natural resources but determined to make sure that any plan recognizes and respects the interests of the farming community. In our comments, we will not add to the noise in favour of conservation of biodiversity although we recognize its importance. Our aim in looking after the interests of landholders is simple - we want the use of biological resources in the hands of the people who own them or we want just recompense.

Introduction

The rationale for Native Vegetation Retention (NVR) is to:

- 1) Prevent clearing of land that is prone to erosion;
- 2) Contribute to the conservation of flora and fauna;
- 3) Help Australia meet its international obligations on greenhouse emissions; and
- 4) Meet the requirements for government to have no net 'loss' of 'native vegetation' by the year 2001.

We agree, in principle, with these aims but disagree with the means of attaining them.

Three general precepts for land-use underpin the EGDC's opposition to NVR:

- 1) Freehold land is for the gainful use of the landholder, subject to the normal constraints of civil, social interaction eg. minimisation of off-site effects;
- 2) No outside party has any natural call over, or determination of, outcomes from freehold land except when outcomes, determined by government, are essential for the public interest; and
- 3) Any landholder required to produce an outcome, mandated by government in the public interest, should receive recompense through payment of fair rent plus costs.

The way forward

The EGDC would like the Government to rethink its strategy for the 'protection' of 'native vegetation' along the following lines:

- 1) Accept the principle of recompense for service delivery that the EGDC puts forward
That owners of freehold title compelled to produce conservation outcomes for the wider community, at the owner's expense (including opportunity cost), receive recompense based on rent plus costs.
- 2) Implement restrictions on clearing of land vulnerable to erosion and other, significant off-site effects.
- 3) Define desired outcomes for management of parcels of 'native vegetation' and pay for service delivery.
- 4) Remove management restrictions on the use of areas of native vegetation not identified above.

Notes on NVR position paper

Prevent clearing of land that is prone to erosion

We have no objection to the aim of minimising off-site effects - our only concern is to ensure transparency of the decision-making process. We are mindful of the possibility that the government and others might attempt to piggyback other outcomes in the name of minimising significant off-site effects.

Contribute to the conservation of flora and fauna

Equity

We do not accept that conservation outcomes for the wider community should be extracted from landholders through uncompensated force of law. There are many precedents for recompense: roads; Flora and Fauna Guarantee Act; and the restrictions on clearing brought in by the South Australian Government.

NVR fails to deal with the question of what we might call 'historical equity' where, through an accident of history, some landholders are unable to improve their property, even to the extent of converting common native vegetation to pasture, using methods available to their neighbours fourteen years ago.

Analyse the issue from the farmer's perspective. It should go something like this:

- Q.** What does (did) a primary producer purchase or own on freehold title? **A.** A primary producer purchases standing assets (pasture etc.), capital assets and *biological capacity*.
- Q.** What is a farm? **A.** An arrangement of at least one ecosystem designed and managed to produce an (usually marketable) output.
- Q.** What is a farmer's job? **A.** To manipulate ecosystems for desired outcomes.
- Q.** What does NVR demand of farmers? **A.** A farmer must dedicate standing assets, biological capacity and skills of ecosystem management to deliver outcomes for the public, *at the farmer's expense*.
- Q.** Are the demands of the Plan fair? **A.** No. Only a small minority of Victorians, whose antecedents lacked either the foresight or money to knock everything down, must pay for and deliver outcomes for everybody else; we reward the majority, who did knock everything down (in terms of NVR, those who *did the wrong thing*), with freedom of choice and income.

Conservation aims will fail

Conservation of 'native' ecosystems cannot be *laissez faire*. Coveted outcomes for conservation should be defined, contracted, implemented and paid for. Under the present arrangements, in an economic environment where the bank manager deplores idle capital, farmers are forced to take whatever returns they can legally eke out from their 'native vegetation' - none of these actions is conducive to the conservation results ostensibly sought. The conservation outcomes for flora cannot be satisfactory if at least 80% of the floral diversity (the ground and shrub layer in a forest ecosystem) is open to heavy grazing, phosphatic fertilisers and introduction of exotic species of plant.

The situation in East Gippsland

The EGDC argues the case against NVR from a matter of principle; we see the issue not as East Gippsland being unfairly treated but as *landholders with something of value* being unfairly treated.

Nevertheless, the East Gippsland Region differs from the remainder of the State in the high proportion of land in public ownership as State Forest or Park. Tree cover is about 1.8 million ha (83%). Area of freehold land is about 0.45 million ha (20%). Tree cover on freehold land is about 0.14 million ha (6.3%). In addition, not all 'native vegetation' has tree cover; a large percentage of grazing area is vegetated with predominantly native grasses that are also subject to NVR.

In East Gippsland, NVR assumes primacy over the deployment of in the order of \$30 million worth of private capital. The economy of East Gippsland has struggled for some time and simply cannot afford to have capital of this magnitude sidelined.

Yours faithfully

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