



SHIRE OF DANDARAGAN

THE PRODUCTIVITY COMMISSION INQUIRY IMPACTS OF NATIVE VEGETATION AND BIODIVERSITY REGULATIONS

The Shire of Dandaragan hereby submits this submission to the Productivity Commission's Inquiry into the impacts of Native Vegetation and Biodiversity Regulations.

Background:

The Shire of Dandaragan is located in Western Australian's Central West Region approximately 130 kilometres north of Perth. The Shire has an area of 6,934 square kilometres of which over 30% is taken up by unallocated crown land, national parks, reserves and the Lancelin Defence Force Training Area. There is a further 18% of land in its natural vegetation state on the freehold properties in the Shire.

The first European settlement occurred in 1851, and today there is a thriving and diversified economy based on farming, rock lobster fishing, mining and tourism.

Agriculture began in the south eastern area of the Shire in the mid 19th century, however it was not until the availability of trace elements especially copper, zinc and molybdenum, that large scale development occurred in the more northern and western sectors of the Shire. Land releases occurred in these areas in the 1950's through to the late 1960's. Consequently much land clearing was undertaken, with some farmers today yet to complete their development programs.

Inquiry Point:

The impacts of farming practices, productivity, sustainability, property returns, landholders' investment patterns and the attitude of finance providers, and on other economic activities such as infrastructure development and mineral exploration, and flow on effects to regional communities, arising from the regulation of native vegetation clearance and/or biodiversity conservation.

The Dandaragan Shire Council understands that a number of local farmers have already made submissions to the Commission on the perceived impacts of regulation on their farming businesses. No detailed analysis of their position will be made here. These producers are better placed than Council to relate the position faced by landholders caught in the net of regulation. Council is concerned that its residents appear to be suffering economic and social distress as a result of the impositions forced on them. It can be assumed that a reduction in the economic potential of the agricultural industry would have a deleterious effect on the rural communities of the Shire.

The Shire has a long rural road network comprising of 1,018 kilometres of unsealed road and 332 kilometres of sealed road. Maintenance and improvement of the road system is an enormously expensive task which is exasperated by the need to service locations that are often separated by the many large reserves and parks throughout the Shire. This position will be worsened if thousands of hectares of private land becomes defacto reserves never to be developed.

Of course Council is not immune from the effects of regulation on its own activities. The Environmental Protection Act Amendment Bill currently before State Parliament has the potential to seriously affect the ability of Council to carry out its normal function.

The Western Australian Local Government Association warns in its *"Infopage"* (dated 23/07/2003) that Councils will need to *"Seek permits for all activities which will impact on native vegetation. This includes routine road maintenance activities where the control of vegetation is involved"*. The provisions could prevent roadside slashing needed to provide adequate visibility for motorists and to prevent wild fires. Grading of drains especially on gravel roads is needed to prevent serious water damage: and curtailment of such activities may bring a reduction in safety, financial penalties and disruption to travel.

The provision of suitable gravel is always difficult in a Shire with a large area of Crown Land already unaccessable, and further restrictions would be a bitter pill to swallow.

Inquiry Point:

The efficiency and effectiveness of the above regimes in reducing the costs of resource degradation and the appropriateness of the current distribution of costs for preventing environmental degradation across industry, all levels of government, and the community.

The Western Australian Government supports the application of the “impacter pays” principle in the area of native vegetation and biodiversity conservation and is satisfied that the current distribution of costs for managing land clearing is acceptable. This is so because the Western Australian Government is not paying for it and it is left to a select few landowners to meet the burden of costs. The Government actually created the impact in the first instance.

The Shire of Dandaragan is unaware of any studies into either the cost of resource degradation in our area, or the true cost of prevention of such degradation.

Certainly current and proposed regimes are effective in prevention of degradation, just as a sledge hammer is effective in cracking open peanuts.

With close to 50% of the Shire reserved from development, there is doubt as to the need for such all encompassing regulation. No doubt such methods as have been used, are favoured by State Governments because the costs are borne almost entirely by a few luckless individuals and to a lesser extent by Local Government. **No compensation** is available to landholders either barred from clearing land or prevented from intensifying or diversifying their activities, by the imposition of restrictions such as Public Water Supply Protection Areas.

Land clearing issues are very important in the Shire of Dandaragan, as explained in the introduction, land releases were occurring here in the working lifetime of many of our farmers. With shortages of capital and labour, the development of virgin land for these pioneering families has been a long hard process. Many properties have not yet been fully improved. With the intervention of various Government agencies these families are now prevented from achieving their economic aspirations. There is **no compensation** for these people.

Council itself will bear costs due to regulation. Privately held land that cannot be cleared or is subject to other restriction is entitled to a reduction or exemption from rates. Given the significant area involved in the Shire, this will have a very real impact on Council's rate base.

Inquiry Point:

Whether there is any overlap or inconsistency between Commonwealth and State/Territory regimes, including their administration.

The Dandaragan Council is unaware of the effects or existence of such overlaps.

Apparent inconsistency has been observed between State Planning Policy 11: Agricultural and Rural Land Use Planning: which aims to protect agricultural land from other uses, especially in areas of State significance which includes most of the agricultural area of Dandaragan; and provisions of the Soil and Land Conservation Act which have been used to prevent development in the same area on the basis of alleged risk of degradation.

Inquiry Point:

The adequacy of assessments of economic and social impacts made under the above regulatory regimes.

Dandaragan Council suspects that little or no weight is given to these assessments if indeed they are ever carried out.

The Western Australian Commissioner of Soil and Land Conservation does not balance the likelihood of land degradation resulting from the proposed clearing against the social and economic benefits that may result from the clearing.

Landowners who purchased farms with future planning for developing these farms are now prevented from achieving their economic goal for the property. Local Government will be impacted as the rate base will suffer with there being exemption on rates for the areas of uncleared land.

Inquiry Point:

The degree of transparency and extent of community consultation when developing and implementing the above regimes.

The Court Government introduced a regime of dealing with land clearing issues in the 1990's that involved a Memorandum of Understanding between the responsible agencies. This threw up a virtually impervious glass wall through which very few applications could pass; this was achieved without reference to stakeholders.

More recently the current State Government introduced its Environment Protection Act Amendment Bill. To quote again from the Western Australian Local Government Association "Infopage" (dated 37/07/2003) "*The amendments to the Environment Protection Act, which included the Land Clearing Provisions, were introduced into Parliament on 27 July 2002. The Association and other key stakeholders were not consulted during the development of the amendments. According to the Department of Environment, this was done to avoid an increase in clearing prior to the legislation being passed by Parliament.*"

Press announcements were made to the effect that retrospective provisions contained in the Act when amended, and reaching back as far as July 2002, could impose crippling fines upon anyone found to have committed the undefined offence of causing environmental harm. Valid clearing permits issued with the approval of the Commissioner of Soil Conservation prior to 1992 were unilaterally declared invalid with no compensation. So much for consultation.

Inquiry Point:

Recommendations (of a regulatory or non-regulatory nature) that Governments could consider to minimise the adverse impacts of the above regimes, while achieving the desired environmental outlines, including measures to clarify the responsibilities and rights of resource users.

The Shire of Dandaragan recognises the need to preserve environmental values. Our future depends on the availability of clean fresh water, fertile soils and healthy marine systems. Eco tourism is already contributing to our economy and will continue to grow. The terrestrial parks in our Shire host a world class range of flora and fauna.

Council warmly welcomes the recent proclamation of the Jurien Bay Marine Park.

The Shire of Dandaragan understands the need for prudent planning and considered regulation to protect our natural resources. Council has always supported the Landcare and Coastcare movements. Currently four (4) Natural Resource Management Officer's are hosted at our Dandaragan Offices.

Council holds the view that our residents and rate payers are also very important. Therefore when an action by Government is taken which results in a benefit to the wider community, the costs of that action should be borne by the whole community, not by individuals directly affected.

Council believes that in implementing sound environmental plans and regulation Federal and State Governments should:

- a) Foster understanding of the need for preservation of environmental values through public education especially with private landholders.
- b) Continue to be involved in partnerships such as Landcare, with the community and Local Governments. Providing realistic financial support for projects undertaken.
- c) Require State and Federal agencies to fully identify all costs involved in imposing regulatory frameworks and accept that the whole community needs to share the burden.
- d) Mandate consultation with all directly affected stakeholders.
- e) Avoid harsh 'blanket' regulations that do not allow for the huge range of conditions that exist on a continental land mass such as Australia.
- f) Compensate persons holding a continuing right to land, such as landowners, when the value of their asset is diminished by regulation. Compensation need not necessarily be paid as a lump sum, an annual payment could be made to reflect the loss of future earnings.

This may help the Government to act fairly whilst still maintaining budgetary constraints. Where the effect is such that the viability of a property is threatened, an offer to purchase should be made.

- g) Should ensure application costs for those wishing to develop agricultural land be kept to affordable levels. Current cost structure are a prohibitive and sometimes an insurmountable barrier to the family farmer.

Government agencies which often already have a considerable bank of information pertaining to industry requirements, soil types, hydrology etc should be willing to assist landholders wishing to develop their properties.

- h) Provide a simple and effective appeals procedure to these landholders wishing to object to agency decisions.