



WESTERN AUSTRALIAN
LOCAL GOVERNMENT ASSOCIATION



30 January 2004

Our Ref: <eg. ASM048/PH:SM invite>
Your Ref:

Native Vegetation Inquiry
Productivity Commission
LB2, Collins Street East
Melbourne VIC 8003

Dear Sirs,

INQUIRY INTO IMPACTS OF NATIVE VEGETATION AND BIODIVERSITY REGULATIONS

Your inquiry highlights the challenge that Australia faces as we try to reverse the decline in our natural capital within a 'triple bottom line' context.

This submission is based on the belief that regulation has an important part to play, and must be complemented by more support for private land conservation efforts.

I wish to make a number of points supported by the experiences of WA Local Governments.

1. **The focus should be on incentives (and removing disincentives), not compensation.** In WA, the State Government continues to charge Land Tax on properties that are zoned or covenanted for conservation purposes. Government land valuation systems are also discouraging landowners from managing bushland near metropolitan areas as it is valued at urban potential and high Land Taxes are being charged accordingly. (e.g. In the Shire of Serpentine-Jarrahdale, a 50% Local Government rates reduction given to one bushland owner (a saving of less than \$1000), meant that the landowner was then hit with \$2800 in State Land Tax per annum).

Mention of compensation (page XXIII), should be replaced by incentives. Compensation would play a small role if the regulatory framework was incentive-based.

2. **The effectiveness of regulation is limited by the fact that Government administration is poorly resourced**

Given the level of resources, I believe regulation has met its objectives relatively well. Whilst resourcing of agencies will always be an issue, the level of resourcing of clearing controls has meant that only the most significant breaches have been pursued, and the impact has been sporadic.

3. **Treatment of Local Government by State Government**

The recent 'Bush Forever' initiative made it clear that Local Government was treated very differently to private landowners when it came to 'protecting regional conservation assets'. In contrast, it is being treated more as a private landowner when it comes to the new clearing controls under the amendments to the Environmental Protection Act.



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The Voice of Local Government



(e.g. Numerous Local Government's had freehold land with bushland that was preferentially protected in Bush Forever instead of nearby private land of similar environmental value. This has cost those Local Government's significantly in lost development opportunities).

4. **Regional and local level definition of objectives** - This suggestion is generally supported, however, there must be formal process by which these objectives are endorsed by ALL levels of Government. Also, the work to set these regional level objectives will need to be funded by State and Federal Governments

Other comments

1. It was concerning that your key points made mention of the costs to private individuals of 'restrictions on clearing regrowth and woodland thickening' but did not balance this with cost of over clearing (e.g. in the wheatbelt of WA where some farmers will be worse off than others). I think this is a reasonable request given that your inquiry is asked to look at all major impacts, both positive and negative.
2. The two case studies selected (Moree and Murweh) should be balanced by two examples where regulations are operating in districts where it is widely accepted that there has been over-clearing. This is reasonable given that they were selected to examine the drivers of the impacts of restrictions, and these drivers need to be understood in a wide range of clearing scenarios.
3. The consideration of social and economic factors (reccs, pg 199) is supported as long as there is a broad consideration of environmental benefits. It is my experience in WA that 'sustainability assessments' are turning out to be effective ways of undermining environmental standards. Economic and social considerations are often supportive of each other, and in opposition together against protecting the environment. It is also widely understood that most decision-making processes do not have the resources or skills to value the economic value of environmental services.

In summary, I support the inquiry's recommendations for greater emphasis to be placed in private land conservation incentives and reasonable landowner duty-of-care. Issues of compensation should be placed in the context of current Government disincentives (policy and taxation) and also the provision of greater incentives.

The draft report seems to focus on compensation, and this can only lead to a watering down of environmental outcomes, if people 'doing the right thing' continue to be punished and scarce resources are used to fund compensation claims.

In an ideal world Government and the community would be able to establish regional, quantifiable objectives (which allocate costs across national, state and local benefits) and so result in a fairer system. However, we are a long way from achieving this, and Governments have demonstrated over the past decade that they are reluctant to invest in that sort of expensive exercise for long-term benefit.

Thank you for the opportunity to comment.

Yours sincerely

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