

Policy Instruments “ for Reducing the Effects of Agriculture (Beef Industry) on the Great Barrier Reef Lagoon” **by Staff at the DPI Charters Towers DPI - November 2002**

1. Environmental Monitoring

- Invest more government/industry resources into catchment monitoring – vegetation and water (including trend)
- Measure environmental performance at the same level/scale as the action taken; eg action at a farm practice/paddock level - ascertain performance at that level, not from catchment level measurements
- Monitor the effects of changed land management on the Great Barrier Reef Lagoon and provide regular, simple feedback to land holders/land managers.

2. PMP

- Property Management Planning – provide reward for compliance for land managers who can show and demonstrate implementation of a PMP.
- Financial support for the acquisition of certain demonstrated competencies in addition to financial support for participation in PMP, eg some producers have documented herd performance and land condition trends for their property over time – they need incentives to commence or continue these practices.
- Develop a PMP methodology that has the ability to check that competencies have been gained.
- Use the big stick in extreme cases – need to determine thresholds for intervention and engender industry support for this approach

3. Land Tenure Incentives

- Reward good land managers eg extend term of the lease, renew the lease and/or upgrade to a more secure form of tenure eg Grazing Homestead Freeholding Lease (Qld Rural Leasehold Land Review is currently underway)
- Encourage devolved grant projects that can be accessed by individual landholders in addition to landholder groups (similar to NHT-1 devolved grants)

4 Taxation Incentives

- Increase financial rewards through the taxation system, in addition to subsidies/grants
- 100% tax deductibility in the year of expenditure for stock-water infrastructure eg replacing natural waters with bores/dams, piping, tanks & troughs
- Re-invest taxes collected from the GBR catchments eg capital gains tax, income tax, GST, and other government charges, back into those industries and communities in the catchment to achieve positive outcomes for the Great Barrier Reef (eg tertiary sewerage treatment, fencing riparian zones, water use efficiencies in irrigation areas such as overhead irrigation of cane instead of furrow irrigation.)
- Awareness of existing taxation policies eg section 75D fencing, forced sales, changing the tax year
- Simplify process to change tax year and ability to review and change again. Many graziers hold cattle until the start of the new financial year (1st July) to defer income. Marketable cattle held until July 1st will lose condition and continue to consume pasture; this places unnecessary grazing pressure on the land by reducing ground cover. It is currently an uncertain process to change the financial year with the ATO.
- Provide taxation incentives for marginal sized properties to increase their holdings or to sell out.

5 Demonstration of Benefits

- Clear demonstration of suitable herd and rangeland management practices at the commercial scale
- Support to ensure land managers understand appropriate principles and practices
- Emphasis on demonstrated benefits at the enterprise level as well as to the Great Barrier Reef
- Education and incentives eg devolved grants to allow better grazing management such as riparian fencing and off-stream stock waters.

6 Review of Qld Drought Relief Assistance Scheme

- Components of current Qld Drought Policy still encourage poor land management eg Drought Relief Assistance Scheme.
- Over the last 20 years, the Qld DRAS has been modified several times in an attempt to encourage good land management rather than support the poor land managers. The scheme requires further modification or possibly abolition.
- Obtain a copy of the review of Drought Policy in Qld; it contains information about principles and possible policy instruments that are relevant. Contact Ted Parish/John Darlington DPI Brisbane

7 Diversification on Leasehold Land

- Encourage appropriate diversification at a commercial scale to take the pressure off the land – particularly where property size is marginal for the current land use. This requires a change to Qld Land Act
- Proposed changes to regulations under the Act to allow diversification, still impose serious restrictions on the scale of diversification eg non-grazing/non-agricultural industries cannot be the dominant enterprise.

8 Increase RD&E Services

- State Government must stop cutting research, development and extension resources servicing the primary industries in the Great Barrier Reef catchments

9 Environmental Levy/Farm Management Deposits

- Implement an environmental levy in conjunction with farm management deposits.
- Use FMDs to allow the saving of money in good times for purposes consistent with the aims of the policy about the reef, at a reduced or nil tax rate.
- Charge environment levies on an annual basis and allow them to be paid from FMDs in years of poor seasonal conditions or market downturns ie collect the levies from FMD's in the lean years.

10 Review Exceptional Circumstances

- Develop a new category of Exceptional Circumstances where in certain years, continued grazing/farming would result in an unacceptable risk to the reef. eg it may be better not to plant, or to make forced sales on a larger scale.
- Adopt a proactive approach to EC in conjunction with land degradation alerts rather than waiting for the 1 in 20 year event to occur.
- Current EC declarations occur after the land degradation has occurred eg when the pastures have been grazed bare or the crop residues have been removed.

11 **Property Sales**

- When properties change hands, make the new owner obliged to fix up existing land degradation – recent land sale in the Dalrymple Shire saw a record high price paid for one of the most degraded properties in the district. If the buyer knew prior to the sale, that a large investment would be required by legislation to repair the damage, the purchase price would be proportionately reduced.

12 **Go With The Goers!**

- Work with those more likely to have the ability to change
- Let producers go broke and exit the industry!! – also needs industry support.

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