



TIMBER TOWNS VICTORIA

*A Local Government Association*

**Timber Towns Victoria**

**Submission to the Productivity Commission  
Inquiry into the Impacts of Native Vegetation  
and Biodiversity Regulations.**

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## **Introduction**

Timber Towns Victoria (TTV) is the peak body for Victorian local government on forestry policy and development. It is an incorporated local government association representing the interests of municipal councils in relation to forestry on both public and private land. Established in 1985 the Association's primary function is to provide a forum for local government to address the management of forests and forest industries and their impact on local government operations and the community.

Timber Towns Victoria welcomes the investigation into the impacts of native vegetation and biodiversity regulations. The Association recognises native vegetation retention and biodiversity enhancement as an extremely important issue for local government operations, the environment and the productive capacity of rural communities. Timber Towns Victoria is generally supportive of the stated objectives of state and commonwealth legislation in regard to native vegetation and biodiversity protection. However, we recognise the diversity in community opinion about regulation as a management approach. As democratically elected representatives of our rural communities we can bring to the Inquiry a first hand understanding of the implications of current regulations and their impacts on the community.

This submission presents a range of issues to be considered when looking at the impacts of biodiversity and native vegetation regulations. These include the importance of native vegetation and biodiversity, the need for management to conserve biodiversity and appropriate regulatory regimes. The submission offers a number of recommendations to produce a more balanced approach to preserve and enhance Australia's biodiversity and native vegetation.

*Note: Timber Towns Victoria believes that "native" in existing regulatory frameworks should refer to species that are indigenous to a province, as opposed to any species that is found anywhere in Australia.*

### **1. Need to Protect Native Vegetation on Private Land**

Timber Towns Victoria understands that in order to protect Australia's biodiversity a larger area of land needs to be reserved for native species. The Australian Museum has concluded that the area needed to protect Australia's biodiversity is 300,000 km<sup>2</sup> for each of the five major habitat types (Archer, 2003). This equates to 20 per cent of Australia's landmass. At the moment only 8 per cent of land is in long-term conservation reserves. Australia's reserve system has been developed haphazardly over the years. Frequently reserves have been created on areas that were perceived to have little or no economic use, rather than for their conservation values (Flannery, 1996). The result of this is a system of reserves that is not ideal for conservation purposes, either in size or location, with many occurring in isolated pockets (Flannery, 1996). As a nation we have to look to private land to provide the additional resources required to adequately conserve Australia's biodiversity (Archer 2003).

However, this should not occur without appropriate compensation to landholders who are foregoing income in order to conserve a public good. Society may have an expectation that a certain level of biodiversity and native vegetation be retained. As discussed above this cannot be achieved with the reserve system Australia has in place. Therefore the expectation is shifted to private land. However, it must be remembered that much of the private land in rural Australia is used to provide goods to society and income to landholders. Timber Towns Victoria agrees with the Commission's finding that where conservation of biodiversity and native vegetation largely provides benefits to the wider community a landholder should receive compensation for the provision of that good.

## **2. Native Vegetation and Biodiversity as an Asset**

Timber Towns Victoria would like to see landholders using indigenous plants for their revegetation activities, rather than introduced species. However, this is not occurring in many areas across Victoria. Numerous landholders are confused and uncertain about the implications of native vegetation and biodiversity regulations on their farming activities. As a result some landholders are choosing to replant using introduced species because management of these species is not affected by onerous government legislation. This is unfortunate, as indigenous vegetation would provide many benefits to the landholder, environment and wider community. Timber Towns Victoria believes that indigenous vegetation and species diversity should be viewed as an asset by landholders. Landholders need to be encouraged to plant indigenous vegetation. Regulatory regimes must be implemented in a way that assures landholders they will not be adversely affected by planting indigenous vegetation for environmental, economic or amenity purposes.

In the draft report the Commission raises that native vegetation can be seen as a “liability” by some landholders. Pages XXXII and 11 mention the use of introduced species and mechanical means to remedy environmental degradation rather than native vegetation. Timber Towns Victoria believes indigenous vegetation should be promoted for land remediation because it provides many benefits over introduced species and mechanical measures. For example, introduced vegetation or mechanical measures may effectively reduce salinity, however, indigenous vegetation provides salinity control as well as additional biodiversity benefits and ecosystem services that introduced vegetation and technological options do not.

The promotion of introduced species should not be undertaken lightly. Introduced vegetation has the real potential to become a weed and create an additional economic burden on landholders. Currently weeds cost Australia in excess of \$3.3 billion in lost agricultural production alone. Promoting introduced species over species indigenous to the province could exacerbate this financial loss, actually costing more in lost production than indigenous vegetation in the long term.

## **3. Appropriate Land Management for Biodiversity Outcomes**

The Australian landscape has been managed by humans with the arrival of Aborigines over 60,000 years ago. Aborigines managed the landscape through a comprehensive fire regime. Unfortunately 200 years of European management has resulted in the loss of this knowledge in many regions. As a consequence of this many notable scientists believe including land in national parks and reserves, and leaving this unmanaged, will not provide the best outcome from a biodiversity perspective (Flannery, 1996, Low, 2002). Australia needs to revisit land management techniques suited to the Australian landscape. These may involve the use of a fire regime or other measures that conserve and enhance biodiversity. An example of this is the management of Australia’s grasslands.

Without human intervention grassland areas are prone to weed invasion and domination by one or two species, such as kangaroo grass (Low, 2002). Some land managers across Victoria, NSW, Tasmania and the ACT are employing a controversial management technique with encouraging results. Sheep and cows are grazing many of the grasslands in these areas in order to control dominant species and encourage the growth of rare plants. Cows and sheep are being used because they graze more selectively than kangaroos and other native species. The results of these exercises in grasslands have shown grazing to be more effective at conserving many of these areas than the hands off approach called for by some members of the community (Low, 2002). *For more information on grazing for conservation see Tim Low’s book, The New Nature.*

Timber Towns Victoria is not advocating for farmers to be able to graze stock in all national parks. However, TTV is calling for the appropriate management of our environment, determined through rigorous scientific study and the use of local and traditional ecological knowledge. If some areas are scientifically proven to respond well to grazing then it should be allowed at appropriate times and at appropriate levels. If other areas respond well to another technique it should be employed. Governments and land managers have a responsibility to protect the environment for present and future generations. Controversial techniques that deliver results should not be avoided in favour of less effective, but more “socially acceptable” practices.

#### **4. Net Gain**

In Victoria the concept of net gain forms part of the Native Vegetation Framework (2002). There is disagreement as to what constitutes a sensible application of this principle in the wider community. Timber Towns Victoria believes the approach must be equitable, transparent, consistent and open to scrutiny. The net gain principle must be applied practically and not create a huge financial burden to a landholder.

The net gain principle should also provide an opportunity to enhance and improve the vegetation. The Victorian Planning Provisions (section 42.02-2) allow for the removal of vegetation declared noxious under the *Catchment and Land Protection Act* (1994) (CaLP Act) without requiring a permit. However, there are a number of non-indigenous species that pose serious threats to the environment and agricultural productivity, but are not declared noxious. For example *Acacia longifolia* var. *sophorae* (Coast Wattle) and *Acacia longifolia* var. *longifolia* (Sallow Wattle) pose significant environmental threats outside of their natural range (Sallow wattle – Eastern Victoria and NSW, Coast Wattle – coastal dunes of SA, Victoria and the eastern coast of Australia). These plants are classified as environmental weeds in the Port Phillip, North Central and Goulbourn Broken regions of Victoria (Macedon Ranges, et al. 2002). Even though they are not declared noxious under the CaLP Act these invasive wattle species pose a significant risk to the environment and productive land. They invade heathlands forming dense shrubs, which smother all other indigenous vegetation. They alter the nutrient balance of the soil preventing the regeneration of indigenous vegetation (Surf Coast Shire, 2002).

Timber Towns Victoria believes landholders should have the ability to remove invasive vegetation that is not indigenous to the area without having to undertake an onerous permit application process. If this does not occur the environmental quality of their properties will not be enhanced and the legislation will not have achieved its desired goal.

There is a perception that trees are being promoted over other types of vegetation for revegetation activities. In some instances revegetation using indigenous grasses or shrubs may actually be more appropriate. For example, much of Victoria was a lightly treed savannah (Barr & Cary, 1994, p 6). Planting trees in this landscape may actually have negative impacts on the hydrology of the area. When applying net gain principles TTV believes it is important that the most appropriate vegetation for the region be planted as an offset.

#### **5. Right to Farm**

Landholders should have the right to use their land for sustainable productive purposes. This includes the ability to remove vegetation from their fence line. A landholder should not have to let one an asset, such as a fence, be destroyed due to encroachment from vegetation or due to branches falling on it. More importantly a landholder should not have

to move their fence line further inside their property boundary, thereby losing part of their land.

In Victoria a planning permit is required to remove, destroy or lop any vegetation specified in a schedule to the Vegetation Protection Overlay. However, a landholder can clear vegetation along their fence line without a permit if:

*“the vegetation presents an immediate risk of personal injury or damage to property”* (Section 42.02-2).

While the ability exists to clear vegetation from a fence line, there needs to be greater clarity in the interpretation of “immediate risk”. The State Government needs to work with the responsible authorities to ensure this clause is interpreted consistently across jurisdictions.

## **6. Forestry - Right to Harvest**

In 1997 the state, territory and federal governments established a commitment to treble Australia’s plantation base by the year 2020 through the development of *Plantations for Australia: the 2020 Vision* (Vision 2020). The trebling of the plantation estate also coincides with a reduction in the amount of timber available from public land in Victoria as set out in *Our Forests, Our Future* (2002). It is envisaged that the plantation sector will become the source for much of the wood used by Australians in the near future (rather than timber harvested from unsustainable practices overseas). Opportunities exist for the private forestry sector to provide timber and other services, however, a major impediment regarding a landholder’s right to harvest needs to be addressed if this is to succeed.

Plantations offer a landholder the opportunity to provide environmental services while also creating economic gain from their land. Planting indigenous species is one way for a landholder to maximise the benefit to the environment, while growing a species that is well suited to local conditions. However, forestry is a long-term activity, with a large amount of time passing between the outlay of monies for establishment of the plantation and the final payment from the harvest. There is anxiety among landholders, investors and operators that current regulations in Victoria may prevent a landholder from harvesting his/her timber because, under the *Native Vegetation Framework* (2003), native vegetation in excess of 10 years old is considered to be remnant vegetation. Without clear guidelines for Victoria’s *Native Vegetation Framework* this concern will persist.

Many landholders are also concerned government policies may change between the establishment of the plantation and harvest time, resulting in the landholder being left unable to harvest the plantation. As such, investment in forestry operations has not been able to meet its full potential. One way to resolve this issue would be to give landholders a guaranteed right to harvest. They would be able to plant indigenous species, thus providing environmental services for a time, with the security that they can harvest the “crop” in the future. This would be one way of reducing a major impediment to the expansion of the plantation industry.

Timber Towns Victoria believes the right to harvest should extend beyond plantations to all planted crops. If for some reason the right to harvest has to be revoked, eg a rare or endangered species is discovered within the plantation or crop, or, there is a change in legislation, the landholder should be guaranteed a payment for their crop to its actual market value, not a percentage of this.

## **7. Timber Harvesting in State Forests**

Timber Towns Victoria has concerns regarding the effect native vegetation and biodiversity regulations may have on the native forest industry and the rural communities dependent on this for their economic wellbeing. The Association would not like to see the timber industry lose security of tenure and rural communities suffer economic hardship unnecessarily. The Regional Forest Agreements (RFAs) were developed to attempt to balance social, economic and environmental concerns regarding the sustainable management of Australia's public forests. The RFAs were based on the best science that was available at the time. If new agreements are to be entered into they must consider the social and economic impacts as well as environmental concerns.

In some instances state governments are not fully implementing the RFAs, instead declaring additional national parks and reducing the amount of land available for forestry activities as set out in the agreements. Declaration of a national park will not result in improved environmental protection if it is not adequately resourced or managed. Without appropriate resources creation of a national park may actually lead to habitat and biodiversity degradation through such means as weed infestation, lack of fuel reduction and proliferation of feral animals and vermin.

In the past the forestry industry contributed resources to the management of public land. The last 20 years have seen forestry activity reduced on public land with overall government resourcing for park management often falling short of forestry industry contribution. The result of this will be the degradation of a significant resource to the detriment of the environment and present and future generations. Timber Towns Victoria would like to see existing national parks more adequately resourced in order to protect and enhance their environmental quality prior to any declaration of additional parks in the future.

## **8. Consultation with Stakeholders**

The Commission's draft report highlighted the lack of adequate consultation with the community prior to the introduction of many of the current regulations relating to native vegetation and biodiversity. The Commission acknowledged that in some cases this was due to a concern that large-scale pre-emptive clearing would occur (page XXV).

Timber Towns Victoria believes there is a way to undertake an appropriate consultation period and avoid pre-emptive clearing by landholders. In the future, governments could place a temporary suspension on the issuing of permits for land clearing while they consult with landholders and the community, prior to the development and implementation of any biodiversity/native vegetation legislation. This would allow for local knowledge and experience to be properly incorporated in the legislation.

## **9. Resourcing of Responsible Authority Staff**

The Commission's Draft Report found that legislation/regulations are not implemented consistently across jurisdiction, including Victoria. In order to rectify this situation there needs to be adequate training of responsible authority staff. This should result in consistent interpretation and implementation of the Victorian Planning Provisions and the State's operational guidelines for native vegetation management. Staff also need to be provided with the appropriate level of resources in order to undertake their responsibilities fully.

## **10. Mechanisms to Protect Native Vegetation**

Policy practitioners have identified that if you wish to change a complex behaviour, such as the acceptance of native vegetation and biodiversity regulations, you need to employ many tools to achieve it (McKenzie-Mohr & Smith, 1999). Regulation or an education program will not be effective on its own. What is needed is a combined approach that incorporates regulation, education, incentives and compensation. In order for such a program to work the barriers and benefits for landholders engaging in native vegetation and biodiversity protection must be identified and clearly understood (McKenzie-Mohr & Smith, 1999). The approach also needs a well-planned implementation program and an evaluation component to assess its effectiveness.

## **11. Local Government**

Local government rate rebates are mentioned on page 444 of the draft report as part of the Private Forests Reserve System in Tasmania. Timber Towns Victoria believes many rural councils in Victoria are not sufficiently resourced to provide such incentives, without guaranteed and continuing external funding. One possible way to address this would be to apply a small statewide levy. This would be distributed to rural councils giving them the resources to provide financial incentives to their landholders for biodiversity and native vegetation protection. Another option would be to allow local government better access to current funding sources such as the Natural Heritage Trust Mark 2 (NHT) or the National Action Plan for Salinity. Local government had access to such funding through NHT Mark 1. As a result of this funding many Victorian councils commenced a variety of incentive schemes that assisted landholders with environmental management activities. However when NHT funding was no longer accessible by local government many councils had to either reduce the scope or in some case abandon the program all together.

## **12. Productivity Commission Draft Recommendations**

Timber Towns Victoria is supportive of the recommendations as presented in the draft report. However, the Association believes these could be further developed. Firstly, there is no mention of the enhancement of the quality of existing vegetation and biodiversity in the recommendations. Like much of the relevant legislation the Commission has focussed on quantity. It must be emphasised that quality is as important as quantity. Secondly, it must be noted that many councils are not in a position to provide ongoing financial incentives to landholders to encourage the protection of native vegetation and biodiversity on their property, without a guaranteed, continued external funding source.

## **13. Timber Towns Victoria Recommendations**

While TTV supports the recommendations in the draft report the Association believes that further steps need to be taken to:

- a) guarantee the adequate protection of native vegetation and biodiversity; and
- b) to ensure that landholders are not unfairly burdened with the responsibility of protecting a public good.

### **1. Governments must adopt transparent regulatory programs accompanied by other tools such as incentives and education**

Whilst acknowledging the varying views of the community, TTV believes that regulation is a necessary tool to protect Australia's biodiversity and native vegetation. However, the regulation should be efficient and decisions regarding planning permits must be open, transparent and accountable. There needs to be consistent decision making by responsible and referral authorities across all jurisdictions.

Regulation alone will not be effective. A program to protect biodiversity and vegetation needs to be accompanied by an incentive strategy and an education campaign to both reduce the financial burden on landholders and to increase awareness of their responsibilities in regard to relevant regulations and the need to protect biodiversity. Landholders who have “done the right thing” in the past, by retaining native vegetation and conserving biodiversity on their properties, should receive financial recompense.

**2. Governments need to adopt regulation that both protects significant stands of vegetation, but also allow landholders to sustainably use native vegetation for profit.<sup>1</sup>**

The draft report puts forward a number of options for the sustainable use of Australia’s native species (page 172). TTV would like to see the right to harvest included in these discussions. While TTV believes accessing markets for native products will help landholders value the native species on their land and protect it for sustainable use, there is still a role for regulation to protect those species for which there is no market.

**3. Governments must undertake investigation into equitable and viable markets for environmental services**

Over the past few years it has been claimed that markets for environmental services will be established providing financial rewards to landholders who conserve native vegetation and biodiversity on their properties. This is yet to eventuate. If payment for environmental services is to be an option that compensates landholders for management of a public good then serious investigation into equitable and viable markets must occur.

**4. Extensive training of staff within responsible authorities is needed to ensure consistent interpretation and implementation of the Victorian State Government’s Native Vegetation Operational Guidelines.**

This will help to avoid inconsistency in interpretation and will be a step equitable implementation of regulations across regions.

**5. Governments need to undertake further investigation into appropriate land management practices for biodiversity outcomes suited to the unique Australian environment.**

Australia needs to develop appropriate management techniques suited to our environment. These should be determined through rigorous scientific study and the use of local and traditional ecological knowledge. These should be adopted through collaborations with state departments, landholders and other stakeholders.

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<sup>1</sup> The Australian Museum is investigating the potential to sustainably use native vegetation for economic purposes. To read more about their program visit: <http://www.fate.net.au/glance/index.htm>

## **14. Conclusion**

Timber Towns Victoria believes that Australia needs to protect its unique vegetation and biodiversity for our country's environmental, economic and social wellbeing. However, the Association feels that the current regulatory regimes are not adequate to achieve this, and in some cases, may unintentionally be responsible for their degradation. Timber Towns Victoria would welcome a regime that combined regulation with greater education, compensation and incentive programs.

It must be remembered biodiversity and native vegetation protection is not just about providing trees or locking up areas of land. Ongoing financial and physical resources are required by landholders and land managers to manage the land for the best conservation outcomes. These costs can be considerable. The responsibility to conserve this public good should not be left to rural landholders. Each Australian should take on an equitable financial responsibility to protect our biodiversity for the health of our environment and present and future generations.

## **15. Resource list**

Archer, Dr M. (2003) *Forests and the Australian Landscape*, Keynote Address, Future Forests and Timber Forum, Sydney, November 10

Barr, N & Cary, J. (1994) *Greening a Brown Land: the Australian search for sustainable land use*, MacMillan Education Australia, Melbourne

Flannery, Dr T. (1996) *The Future Eaters*, Reed New Holland, Sydney

Low, Dr T. (2002) *The New Nature*, Viking, Melbourne

Macedon Ranges Shire, Mount Alexander Shire, Mitchell Shire (2002) *Central Victorian Weeds* (booklet)

McKenzie Mohr, D. & Smith, W. (1999) *Fostering Sustainable Behaviour: an introduction to community based social marketing*, New Society Publishers, Canada

Surf Coast Shire (2002) *Environmental Weeds: Invaders of our Surf Coast*, Surf Coast Shire (booklet)