

The Senate

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Rural and Regional Affairs  
and Transport  
References Committee

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Natural Resource Management and  
Conservation Challenges

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# Membership of the Committee

## Members

Senator Fiona Nash, Chair	New South Wales, NATS
Senator Glenn Sterle, Deputy Chair	Western Australia, ALP
Senator the Hon. Bill Heffernan	New South Wales, LP
Senator Julian McGauran	Victoria, LP
Senator Christine Milne	Tasmania, AG
Senator Kerry O'Brien	Tasmania, ALP

## Substitute members for this inquiry

Senator Rachel Siewert to replace Senator Christine Milne	Western Australia, AG
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## Participating members participating in this inquiry

Senator Judith Adams	Western Australia, LP
Senator Chris Back	Western Australia, LP
Senator Mark Bishop	Western Australia, ALP
Senator Mary Jo Fisher	South Australia, LP
Senator Annette Hurley	South Australia, ALP
Senator Steve Hutchins	New South Wales, ALP
Senator the Hon. Ian Macdonald	Queensland, LP

## Secretariat

Ms Jeanette Radcliffe, Secretary  
Ms Ann Palmer, Principal Research Officer  
Ms Trish Carling, Senior Research Officer  
Ms Maria Sarelas, Executive Assistant  
Ms Lauren McDougall, Executive Assistant

PO Box 6100  
Parliament House  
Canberra ACT 2600  
Ph: 02 6277 3511  
Fax: 02 6277 5811  
E-mail: [rrat.sen@aph.gov.au](mailto:rrat.sen@aph.gov.au)  
Internet: [http://www.aph.gov.au/senate/committee/rrat\\_ctte/index.htm](http://www.aph.gov.au/senate/committee/rrat_ctte/index.htm)



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# Chapter One

## Introduction

### Conduct of the inquiry

1.1 On 26 June 2008, the Senate referred the following matters to the Senate Standing Committee on Rural and Regional Affairs and Transport for inquiry and report by 27 November 2008:

- (i) the lessons learned from the successes and failures of three decades of Commonwealth investment in resource management including Landcare, the National Heritage Trust, the National Action Plan on Salinity and Water Quality, and other national programs;
- (ii) how we can best build on the knowledge and experience gained from these programs to capitalise on existing networks and projects, and maintain commitment and momentum among land-holders;
- (iii) the overall costs and benefits of a regional approach to planning and management of Australia's catchments, coasts and other natural resources;
- (iv) the need for a long-term strategic approach to natural resource management (NRM) at the national level;
- (v) the capacity of regional NRM groups, catchment management organisations and other national conservation networks to engage land managers, resource users and the wider community to deliver on-the-ground NRM outcomes as a result of the recent changes to funding arrangements under the new Caring for our Country program; and
- (vi) the extent to which the Caring for our Country program represents a comprehensive approach to meeting Australia's future NRM needs.

1.2 The Committee advertised the inquiry in *The Australian* on 2 July 2008. The Committee also wrote directly to the relevant government agencies and departments, a number of natural resource management groups, catchment management groups, industry organisations, peak bodies, and a number of interested individuals, inviting written submissions.

1.3 On 27 November 2008, the Senate agreed to extend the time for presentation of the report until 19 March 2009. Further extensions were subsequently agreed to by the Senate, with the final reporting date being 4 February 2010.

- Friday, 10 October 2008 Perth
- Friday, 17 October 2008 Canberra
- Friday, 13 November 2009 Canberra

1.7 The relevant submissions and the Hansard transcripts of the Committee's hearings are available on the parliament's internet site at <http://www.aph.gov.au>

1.8 The Committee appreciates the time and effort of all those who provided both written and oral submissions to the inquiry. Their work has assisted the Committee considerably in its inquiry.



## Chapter Two

### Three decades of investment in National Resource Management – learning from past success and failure

#### Introduction

2.1 In March 2008, the Commonwealth Government announced the establishment of Caring for our Country as the ongoing program for investment in environmental and sustainable resource management. At its launch, the program was described as "an Australian Government initiative that seeks to achieve an environment that is healthy, better protected, well-managed and resilient, and provides essential ecosystem services in a changing climate".<sup>1</sup>

2.2 Prior to March 2008, the Commonwealth Government invested in natural resource management (NRM) through a range of programs including the National Action Plan for Salinity and Water Quality (the NAP), the Natural Heritage Trust (the NHT) and the National Landcare Program.

2.3 In designing Caring for our Country, the government has indicated it is seeking to build on the knowledge and experience of the past, and argued that, while the program involves a new orientation:

...its design and implementation is being undertaken in a way that supports existing expertise, partnerships and landscape-scale approaches; addresses the weaknesses of past programs; and maintains and enhances the commitment and capacity of all stakeholders, including landholders.<sup>2</sup>

2.4 This emphasis on an evolutionary approach has characterised the design and operation of NRM programs in Australia since the 1990s. This chapter sets out some of the lessons learned from previous NRM programs, as a basis for the discussion of Caring for Our Country in Chapter 3. The chapter then sets out the evidence that the committee received in relation to the positive and negative aspects of these programs. The chapter concludes with an outline of the reviews of these programs conducted by the Ministerial Reference Group for Future NRM Programme Delivery and the Australian National Audit Office.

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1 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 3.

2 Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Submission 37*, p. 2.

### ***National Landcare Program – 1992-1996***

2.5 The National Landcare Program (Landcare) was established in 1992 and replaced a range of existing programs, including the National Soil Conservation Program and the Federal Water Resources Assistance Program. The primary focus of Landcare was "sustainable agriculture and improved management of the natural resource base – soils, water and vegetation – at farm level".<sup>3</sup>

2.6 The three main components of the Landcare program were:

- **The Sustainable Industry Initiatives:** which worked in partnership with national industry groups to encourage sustainable and nationally consistent approaches to NRM.
- **Natural Resource Innovation Grants:** one-off grants to encourage people in farming, food aquaculture and forest industries to contribute to sustainable production. The grants were also intended to encourage improvement and adoption of best practice.
- **The National Landcare Program Sustainable Practices component (formerly known as Community Support):** which funded activities intended to increase the uptake of sustainable production and other NRM practices. The funding was also intended to assist natural resource managers to improve their skills and knowledge and improve the integration of NRM into management practices at the enterprise level.<sup>4</sup>

### ***Natural Heritage Trust 1996-97 to 2007-08***

2.7 The Natural Heritage Trust (NHT) was established under the *Natural Heritage Trust of Australia Act 1997*. NHT was to be a comprehensive, integrated program to conserve, repair and replenish Australia's natural capital infrastructure.<sup>5</sup> The NHT was established with a budget of \$1.35 billion over five years and had three overarching objectives:

- biodiversity conservation;
- sustainable use of natural resources; and
- community capacity building and institutional change.<sup>6</sup>

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3 Department of Agriculture, Fisheries and Forestry website [www.daff.gov.au/natural-resources/landcare/national\\_landcare\\_program](http://www.daff.gov.au/natural-resources/landcare/national_landcare_program), accessed 2 February 2009.

4 Department of Agriculture, Fisheries and Forestry website [www.daff.gov.au/natural-resources/landcare/national\\_landcare\\_program](http://www.daff.gov.au/natural-resources/landcare/national_landcare_program), accessed 2 February 2009.

5 *Natural Heritage Trust of Australia Act 1997*, section 3.

6 Department of Agriculture, Fisheries and Forestry website [www.nht.gov.au/nht/index.html](http://www.nht.gov.au/nht/index.html), accessed 2 February 2009.

2.8 In launching the NHT, the government acknowledged both the need for national leadership and the importance of the Commonwealth working cooperatively with state governments "to achieve effective outcomes in matters relating to environmental protection, natural resources management and sustainable agriculture".<sup>7</sup>

2.9 The NHT provided funding for environmental activities across the three tiers of government:

- national investment, delivered in accordance with the National Strategic Plan;
- regional investment, delivered in conjunction with the National Action Plan for Salinity and Water Quality; and
- local action, delivered through the Australian Government Envirofund (the Envirofund).<sup>8</sup>

2.10 A second phase of the Natural Heritage Trust, (NHT2), was launched in 2001 and extended the program until 2006-07. The government allocated \$1 billion for national, regional and local level NRM activities with the expectation that this funding would be matched by state and territory governments. A further \$300 million was committed in the 2004 Federal Budget to extend NHT2 until 30 June 2008.

2.11 Under NHT2 the three primary objectives of the NHT remained the same, however a regional delivery model was adopted as the framework for identifying priorities and coordinating actions. The committee notes that the decision to move to a regional delivery model was based in part on concerns arising from the mid-term review of the first phase of the NHT (NHT 1), which had identified concerns about the lack of planning and priority setting for biodiversity conservation.<sup>9</sup> The decision was also informed by two major policy papers – *Managing Natural Resources in Rural Australia for a Sustainable Future: A discussion paper for developing a national policy* and *The Management of Dryland Salinity: Future Strategic Directions*.<sup>10</sup>

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7 *Natural Heritage Trust of Australia Act 1997*, Preamble.

8 Department of Agriculture, Fisheries and Forestry website [www.nht.gov.au/nht/index.html](http://www.nht.gov.au/nht/index.html), accessed 2 February 2009.

9 Joint Team, *Mid-Term Review of the Natural Heritage Trust: Review of Administration*, November 1999, p. 5 referred to in Australian National Audit Office, Audit Report No. 21 2007-2008, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*.

10 The first policy paper was prepared in 1999 by Commonwealth and state/territory agencies in consultation with a reference group of landholders, rural community leaders, scientists and industry and conservation groups. The second report was prepared in 2000 by the Standing Committee on Agriculture and Resource Management (Report No. 78, *The Management of Dryland Salinity: Future Strategic Directions*, DAFF Standing Committee of Agriculture and Resource Management, 2000).

2.12 In order to deliver funding at a regional level, Australia was divided into 56 community-based, regional NRM bodies. Each regional body was given responsibility for the preparation of a regional NRM plan, and the Commonwealth invested resources to assist in this process. Each NRM plan was required to outline:

- the specific NRM issues in the region;
- the actions required to address the issues identified; and
- the priority areas for action.<sup>11</sup>

2.13 The new regional structures comprised landowners, industries, non-government organisations, indigenous representatives, representatives from three levels of government and other interested parties. Each regional plan was lodged for accreditation by Commonwealth and state/territory governments according to a set of agreed criteria. Following accreditation of the plan, a regional investment strategy was put together, providing details of the funds required to implement the plan. NHT funds were invested in the priorities set out in the investment plan.

2.14 Activities funded at a national level included major resource assessment, research, industry strategies, and innovative management methods for NRM problems such as weed management.

2.15 At a local level, community groups were able to access smaller, individual grants (up to \$30,000) through the Envirofund. Funds could be used by individuals or groups to carry out work targeting local issues or to build their capacity to manage these issues. Projects were required to meet at least one of the NHT's stated priority areas, and be able to clearly demonstrate NRM benefits.

2.16 The committee notes the view that the continued development of the work of Catchment Management Authorities (that is NRM bodies) and emphasis on a whole-of-catchment approach to NRM under NHT has been vital to maintaining gains in land management areas such as nutrient management, soil stability, improving native vegetation cover and ongoing weed control efforts.<sup>12</sup>

### ***National Action Plan for Salinity and Water Quality (NAP) – 2000-01 to 2007-08***

2.17 The National Action Plan for Salinity and Water Quality (NAP) was established by the Council of Australian Governments (COAG) in November 2000 as a jointly administered and delivered exercise between the states and the Commonwealth. NAP was established with an agreed expenditure of \$1.4 billion over

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11 Australian Local Government Association website  
[www.alga.asn.au/policy/environment/nrm/nht/nht.php](http://www.alga.asn.au/policy/environment/nrm/nht/nht.php), accessed 2 February 2009.

12 Wellington Shire Council, *Submission 10*, p. 1.

seven years. The Commonwealth contribution of \$700 million was required to be matched by state and territory governments.<sup>13</sup>

2.18 The NAP was delivered by identified lead agencies responsible for specific aspects of NRM in each of the states and territories (often with links to other state agencies). At the federal level, the Department of Agriculture Fisheries and Forestry (DAFF) and the Department of Environment and Heritage (DEH) shared joint responsibility for program delivery.

2.19 The goals of the NAP included:

- to motivate and enable regional communities to use coordinated and targeted action to prevent, stabilise and reverse trends in dryland salinity affecting the sustainability of production;
- to conserve biological diversity and the viability of infrastructure; and
- to improve water quality and secure reliable allocations for human uses, industry and the environment.

2.20 The NAP also outlined a number of strategies designed to manage salinity and water quality problems in key catchments and regions, including:

- setting regional targets for water quality and salinity;
- helping regional communities develop and implement integrated regional/catchment NRM plans;
- providing regional communities with advice and information for developing and implementing integrated management plans;
- introducing changes to secure property rights for water, improving water pricing, and establishing effective controls on land-clearing in salinity risk areas;
- clearly defining how partnerships can work effectively to address salinity and water quality; and
- coordinating decision-making across governments.<sup>14</sup>

2.21 The NAP targeted the 21 regions most affected by salinity and water quality problems (NAP Priority Regions). These regions were defined based on dryland salinity risk or hazard assessments undertaken during the first phase of the NHT and reported by the National Land and Water Resources Audit in 2000. The NAP Priority

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13 Australian National Audit Office, Audit Report No. 17, 2004-05 Performance Audit, *The Administration of the National Action Plan for Salinity and Water Quality*, p. 13 and Department of Agriculture, Fisheries and Forestry website [www.napswq.gov.au/napswq/index.html](http://www.napswq.gov.au/napswq/index.html), accessed 2 February 2009.

14 Department of Agriculture, Fisheries and Forestry website [www.napswq.gov.au/napswq/index.html](http://www.napswq.gov.au/napswq/index.html), accessed 2 February 2009.

Regions were also defined by the catchment boundaries that included the areas identified as high risk.

2.22 The NAP was not extended past June 2008 and its focus was subsumed within the Caring for our Country program, however, the committee notes, that salinity and water quality has not been identified as a national priority

### **Discussion of previous programs**

2.23 As was noted in paragraph 2.3, in developing Caring for our Country, the government has indicated that it is seeking to build on the knowledge and experience of the past. With that objective in mind, the committee sought feedback on the positive and negative aspects of Landcare, NHT1, NHT2 and NAP.

2.24 The submissions received by the committee expressed a variety of views in relation to the lessons learned. There were a number of common themes that came across in the evidence, however, including:

- the merit of maintaining commitment to and investment in a regional delivery model;
- the importance of developing cooperation and partnerships between stakeholders;
- the need to continue to build capacity within communities
- the need for improved scientific knowledge (to assist in the development of a more detailed understanding of the landscape and the environment);
- the need to develop improved mechanisms for monitoring and evaluating individual projects and programs generally;
- the need for improved accountability; and
- the need for more reliable funding mechanisms.

### ***Regional approach to planning and management***

2.25 The committee received a considerable number of submissions which specifically addressed issues in relation to the regional delivery model. Most organisations, groups and individuals were supportive of the regional approach. It was argued that the model offered significant benefits, particularly in relation to planning, management and the development of partnerships, and it led to more focused outcomes.<sup>15</sup> Submitters emphasised the ability of the regional model to achieve integrated NRM outcomes, establish links with local government and other key

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15 See, for example, *Submission 19*, South West Catchments Council; *Submission 42*, Professor David Pannell and *Submission 57*, South Australian Government.

stakeholders and to achieve better investment value through one-on-one negotiations between regional NRM staff and individual resource managers.<sup>16</sup>

2.26 The Northern Gulf Resource Management Group (NGRMG) noted that one of the key benefits of the regional approach has been "the bringing together of all the stakeholders/players around the one table and over time the development of trust, constructive working partnerships and more effective and efficient use of resources".<sup>17</sup> This view was supported by South Coast Natural Resource Management.<sup>18</sup>

2.27 The NGRMG also suggested that some of the benefits of the regional approach had been unintended. In the Northern Gulf, these benefits have included:

- the skills and resources which now reside within regional NRM bodies being used for wider community benefits, for example, the spatial imagery purchased and processed for NRM management is also of considerable value to Emergency Services and the Police; and
- regional NRM body staff and operations located in remote and regional Australia have become important contributors to the social and economic capital of these communities.<sup>19</sup>

2.28 However, the committee notes that the lack of national coordination of regional NRM bodies often meant the experience of seeking support from regional NRM groups was problematic. For example, the Winemakers' Federation of Australia (WFA) argued that the lack of national coordination of regional NRM bodies meant that it was necessary to approach each individual NRM body and made it difficult to align national industry initiatives with regional priorities.<sup>20</sup>

2.29 The WFA acknowledged that there are some positive partnerships between regional wine industry bodies and regional NRM groups, which are working well within the current structure. However, as a result of its experience, the WFA regards the role of regional NRM bodies as being best suited to regional monitoring and reporting of biophysical conditions, and assisting volunteer organisations to undertake 'public good' works.<sup>21</sup>

2.30 Growcom has also found the experience of having to negotiate with a number of individual regional NRM groups in relation to incentive programs for fruit and vegetable growers costly and time consuming. Growcom has found that contract

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16 *Submission 45*, Murray Catchment Management Authority, p. 1; *Submission 15*, Northern Gulf Resource Management Group, p. 5.

17 *Submission 15*, Northern Gulf Resource Management Group, p. 5.

18 *Submission 16*, South Coast Natural Resource Management, p. 3.

19 *Submission 15*, Northern Gulf Resource Management Group, pp 5-6.

20 *Submission 14*, Winemakers' Federation of Australia, p. 3.

21 *Submission 14*, Winemakers' Federation of Australia, p. 3.

negotiations covering the management, delivery and reporting of incentive programs are often protracted, resulting in delays in access to funding<sup>22</sup>

2.31 In Growcom's experience, the ability of regional NRM groups to successfully promote incentive programs and engage industry sectors also varies greatly. Growcom suggested that:

... government would receive greater cost-effective outcomes and greater environmental benefits by working with key grower organisations such as Growcom who have state wide reach to the industry through an effective extension network. Growcom is well positioned and experienced to deliver services to growers through proven industry NRM programs in close partnership with the regional NRM groups.<sup>23</sup>

2.32 However, the NFF highlighted what it saw as the advantages of developing industry/regional group partnerships. They argued that regional NRM groups have "extraordinary capacity to prepare and lodge submissions, the governance arrangements to administer projects, and the monitoring and reporting frameworks to report on project deliverables and financial acquittal".<sup>24</sup> NFF stated that they were well placed to work with industry and regional NRM groups to draw together regional interest groups, put together large projects for funding approval and manage project implementation.<sup>25</sup>

2.33 The committee heard evidence that, given the significant investment in the regional model, there was benefit in maintaining and improving upon it. Professor Pannell told the committee that while he had not been a supporter of the regional model when it came in, there had now been significant investment in the model:

... as in skills, networks, information and so on, and even though it has not worked particularly well, it is a smaller step to make it work well now than it was when they first brought it in. It is feasible to keep it in place, take it seriously and make it operate better.<sup>26</sup>

2.34 Professor Pannell said that the reason the regional approach has not worked well to date is because it has "not been given the incentives, support and carrot and sticks that it needs to operate well".<sup>27</sup>

2.35 The CSIRO also noted that the regional model has met with varying levels of success, but offered a model for capitalising on those aspects of the regional model

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22 *Submission 65*, Growcom, p. 15.

23 *Submission 65*, Growcom, p. 15.

24 *Submission 44*, National Farmers' Federation, p. 12.

25 *Submission 44*, National Farmers' Federation, p. 12.

26 Professor David Pannell, *Committee Hansard*, 10 October 2009, p. 6.

27 Professor Pannell, *Committee Hansard*, 10 October 2009, p. 6.



that were more successful, including regional networks and enhancing these through greater involvement by local government.<sup>28</sup>

2.36 Some witnesses stressed that it was important to remember that the regional approach to natural resource management is a relatively new concept. The Western Australian Department of Agriculture and Food submitted that:

Up-scaling from local to regional scale to deal with environmental problems that need to be defined and managed at a broader scale (landscape, catchment or region-wide) has not been without its difficulties, and further work on developing capacity at regional level of governance and accountability, management, planning and community engagement at regional level is needed.<sup>29</sup>

2.37 Mr Malcolm Petrie, representing the Local Government Association of Queensland (LGAQ), also noted that regional bodies are relatively new and suggested that four years is a relatively short time frame for an organisation to get their corporate governance in place. However, the LGAQ noted that during the period they have been established:

... they have progressed significantly with the support of both the Australian and state government and ... have a significant role to play in providing strategic direction and coordination for a host of stakeholders.<sup>30</sup>

2.38 The Murray Catchment Management Authority (the Authority) also conceded that, as new institutions, Catchment Management Authorities are not perfect, but are showing signs of improvement. The Authority acknowledged that there has been some alienation of Landcare groups, and the involvement of the urban community has also diminished, but suggested that the way to address these deficiencies is to expand the functions of Catchment Management Authorities (CMAs) by providing appropriate resources, rather than reducing their scope.<sup>31</sup>

### ***Cooperation between stakeholders***

2.39 The Fitzroy Basin Association argued that one of the primary successes of the NHT and NAP programs was in moving communities, landholders, conservation and indigenous sectors, Commonwealth and state agencies and local government, toward an integrated and strategic approach at the regional level.<sup>32</sup>

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28 *Submission 50*, CSIRO, pp 8-10.

29 *Submission 46*, Department of Agriculture and Food, Western Australia, p. 5.

30 Mr Malcolm Petrie, Local Government Association of Queensland, *Committee Hansard*, 17 October 2008, p. 103.

31 *Submission 45*, Murray Catchment Management Authority, p. 1.

32 *Submission 25*, Fitzroy Basin Association Inc, p. 2.

2.40 The Queensland Regional NRM Groups Collective (the Collective) also identified improved relationships and cooperation between stakeholders as one of the important lessons learned. The Collective argued that regional bodies have facilitated improved relationships between stakeholders (often with different agendas) and that these improved relationships have resulted in more effective partnerships. More effective partnerships have, in turn, delivered positive NRM outcomes in a more integrated and efficient manner. The Collective also pointed to the pool of expertise in NRM delivery which now exists in regional bodies and partnering organisations.<sup>33</sup>

2.41 Ms Joan Burns, Chair of the Victorian Catchment Management Authority Chairs Group (VCMACG) argued that NRM is about partnerships rather than boundaries. Ms Burns told the committee that whilst there are a range of boundaries, including water authority boundaries and government department boundaries, it is actually "about partnerships and how you work within your catchment to get these synergies happening ...".<sup>34</sup>

2.42 Ms Burns also told the committee that, in addition to partnerships within the community, the VCMACG is involved in a number of tri-state projects:

We work with New South Wales and South Australia. We have about 200 programs going with them at the moment. There are a lot of tri-state and interstate committees. You work well with you neighbours depending upon the need and what the project is hoping to achieve.<sup>35</sup>

2.43 The committee also received evidence which outlined the types of problems that can arise when there is a lack of cooperation between organisations.

2.44 The Western Australian Local Government Association (WALGA), for example, pointed to a lack of cooperation between the Commonwealth and the Western Australian state government, and raised the issue of the current institutional arrangements between these two stakeholders. It was argued that these arrangements are seen as a "relatively ineffective method of ensuring that NRM outcomes are delivered on the ground",<sup>36</sup> and the Western Australian Government, through its internal processes:

... has utilised the bi-lateral process as a mechanism to absolve itself of investing the core funding required for NRM at the level that many in the community would reasonably expect, particularly given the dimension of

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33 *Submission 41*, Queensland Regional NRM Groups Collective, p. 4.

34 Ms Joan Burns, Victorian Catchment Management Authority Chairs Group, *Committee Hansard*, 17 October 2008, p. 56.

35 Ms Joan Burns, Victorian Catchment Management Authority Chairs Group, *Committee Hansard*, 17 October 2008, p. 56. See also Mr Malcolm Petrie, Policy Advisor, Local Government Association of Queensland, *Committee Hansard*, 17 October 2009, p. 56.

36 *Submission 36*, Western Australian Local Government Association, p. 2.

the jurisdiction, its international biodiversity hotspot and several other hotspots recognised at the national and state level.<sup>37</sup>

2.45 WALGA also argued that it was a lack of state government cooperation and involvement that had resulted in a lack of adequate funding for processes to capture important ecological data, or to fund the purchase of appropriate information systems to access the data.<sup>38</sup>

2.46 Another benefit of the previous programs has been the increase in community awareness regarding NRM issues. For example, the Wellington Shire Council told the committee that the Landcare program has raised the level of community awareness and understanding around the need for improved NRM. In its submission to the inquiry the Shire Council said:

The Landcare networks have allowed land managers and NRM agency staff to form productive partnerships whose work can be seen across rural landscapes, as eroded gullies and weed infested waterways have been fenced off and revegetated, and wildlife corridor linkages have been established through the planting of thousands of windbreaks.<sup>39</sup>

2.47 Submitters also told the committee of the community good will that had been engendered through programs such as Landcare and the significance of this continued goodwill for the successful delivery of outcomes.<sup>40</sup>

### ***Scientific knowledge and expertise***

2.48 The committee received a number of submissions which pointed to the importance of having good scientific knowledge and ready access to baseline data.<sup>41</sup> In his submission, Mr Bernard Powell, a soil scientist with experience in the National Soil Conservation Program, Landcare groups and regional NRM bodies, told the committee that:

Successful NRM is based on good science and demonstrated technology and this should form the basis for agreement amongst government and stakeholders of the way forward. If landholders are not convinced of the scientific facts and merits of a particular solution, there will be limited uptake.<sup>42</sup>

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37 *Submission 36*, Western Australian Local Government Association, p. 2.

38 *Submission 36*, Western Australian Local Government Association, p. 2.

39 *Submission 10*, Wellington Shire Council, p. 1.

40 *Submission 12*, Tasmanian Farmers and Graziers Association and *Submission 13*, South Gippsland Landcare Network.

41 See, for example, *Submission 50*, CSIRO, p. 3; *Submission 11*, Mr Bernard Powell, p. 2; *Submission 18*; WWF-Australia and Humane Society International; *Submission 34*, Greening Australia, p. 3 and *Submission 36*, Western Australian Local Government Association, p. 3.

42 *Submission 11*, Mr Bernard Powell, p. 2.

2.49 Greening Australia's submission argued that earlier NRM programs had generally focused on output and activity and were not necessarily linked in a practical way to science-based outcomes. It also pointed to past problems in relation to baseline data, and argued that:

Poor availability of baseline datasets and the continuing inability of the States and Commonwealth to provide meaningful national datasets at a scale that relate to most conservation actions, handicaps analysis of what is required and what has been achieved. For example, vegetation mapping is not consistent across states and soil mapping is not available at a scale where it is of any use to landholders or practitioners.<sup>43</sup>

2.50 In addition to maintaining useable data, Greening Australia argued that there is also a requirement to increase investment in research and development; "to expand the science, determine priorities and improve environmental assessment and reporting".<sup>44</sup> They also urged a greater level of cooperation across NRM regions and recommended the development of standard methodologies and systems for monitoring, planning, on-ground works, as well as governance and administration:

This will save 56 separate organizations from having to develop these instruments independently. It will also be conducive to the aggregation of data nationally.<sup>45</sup>

2.51 A joint submission from WWF-Australia and the Humane Society International (WWF and HSI) raised the problems associated with accessing scientific data, and argued that one of the significant shortfalls identified under NHT1 and NHT2 was the failure to generate data that was useable and that could also be made available to national data systems.<sup>46</sup>

2.52 Other submitters emphasised the importance of scientific and technical expertise of NRM agency staff. The Wellington Shire Council stated that "there has always been, and continues to be, a need for coordination, direction and technical input and advice from agency staff, as this is considered vital to continue the impetus of the Landcare system".<sup>47</sup>

2.53 Mr Powell also expressed concerns about insufficient focus being placed on the training requirements for NRM professionals, and the resultant loss of scientific knowledge:

With baby boomer staff approaching retirement there is a real threat of the scientific and corporate knowledge gap compromising the whole program of Commonwealth investment. In particular, investment in soil science

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43 *Submission 34*, Greening Australia, p. 3.

44 *Submission 34*, Greening Australia, p. 3.

45 *Submission 34*, Greening Australia, p. 5.

46 *Submission 18*, WWF-Australia and Humane Society International, p. 7.

47 *Submission 10*, Wellington Shire Council, p. 1.

training is at its lowest ebb and this sort of Australian specific knowledge is hard won over many years of experience. It cannot be imported from overseas and will take some years to recover from, even if we started investing in such training tomorrow.<sup>48</sup>

2.54 This view was shared by the Western Australian Department of Agriculture and Food, who noted that with the recent levels of mining and resources activity in Western Australia over recent years, maintaining technical and scientific capacity across all levels had been difficult. The Department argued that:

The cycle of training NRM officers to a point where their skills are attractive to other (higher paying) employers is disruptive and demoralising to regional communities.<sup>49</sup>

### ***Building and maintaining capacity***

2.55 The committee also heard that in order to capitalise on existing networks and projects and to maintain commitment, it is important to build on the knowledge, experience and goodwill of all people currently involved in NRM. The committee notes the submission of the South Australian Government that "continuing to support the implementation of these regional NRM processes and plans is an effective way of maintaining momentum and building on the knowledge and experience gained".<sup>50</sup>

2.56 The Blackwood Basin Group, for example, stressed the importance of maintaining investment in existing capacity and argued that by investing in local people, the knowledge and networks naturally follow. They argued that there was a need to:

... acknowledge that local groups have their own tried and tested methods of community engagement and project management, many systems which have been running longer than the regional system has. Projects and programs should not be too restrictive in their requirements in these areas, giving flexibility for current local working systems to still be used.<sup>51</sup>

2.57 The NFF stressed the importance of NRM staff in developing and maintaining community involvement in NRM issues through continued support for program coordinators. The NFF stated that the relationship between NRM coordinators and the community, together with the knowledge, capacity and a level of trust built up over the course of projects is "critical" to the success of programs like Landcare. The NFF submitted that there was considerable value in retaining program coordinators in the regions where they could apply their local knowledge directly to on-ground activities. The NFF argued that a lack of long-term funding and a lack of ongoing commitment

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48 *Submission 11*, Mr Bernard Powell, p. 2.

49 *Submission 46*, Department of Agriculture and Food, Western Australia, p. 4.

50 *Submission 57*, South Australian Government, p. 6.

51 *Submission 9*, Blackwood Basin Group, pp 2-3.

will result in experienced and respected staff choosing to seek more secure employment opportunities.<sup>52</sup>

2.58 The South Gippsland Landcare Network (SGLN), also submitted that the sustained combined efforts of Landcare's local community leaders, community based Landcare Coordinators and Facilitators, who work directly with, and support, rural communities, and individual landholders, had been central to the success of such programs.<sup>53</sup>

2.59 The Collective expressed similar sentiments in relation to the importance of community involvement. They stated that, in terms of delivering natural resource management, no amount of legislation, regulation or government intervention would provide the natural resource management results required, or meet the current challenges being faced. Mr Andrew Drysdale, CEO of the Collective, told the committee that:

At present, our research shows that land managers, farmers, graziers and local governments are contributing \$3 for every dollar that comes in and is injected through various programs. That is more the issue that I think we need to face – 'we' being governments, communities and organisations like ours. It is about how we keep our communities engaged and mobilised.<sup>54</sup>

2.60 Other submitters emphasised the importance of supporting the attraction and retention of well-trained staff.<sup>55</sup> The Fitzroy Basin Association argued that, whilst NRM funding programs should not be viewed as employment programs, it is important to acknowledge that facilitation of change cannot happen without people. The Association drew attention to the fact that in a tight employment market, one year contracts do not assist organisations to either recruit or retain staff, and further argued that their statement in this regard:

... is not about keeping people employed, it is about finding, building, growing and retaining the skills required to deliver outcomes. When the government announces a commitment to improving education standards, or reducing hospital waiting times, there is never any question that this will require teachers and doctors – nrm is no different.<sup>56</sup>

2.61 WWF and HSI told the committee that "scientific and technical capacity, particularly to guide project development and assessment, is still limited within many

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52 *Submission 44*, National Farmers' Federation, pp 7-8.

53 *Submission 13*, South Gippsland Landcare Network, p. 1.

54 Mr A. Drysdale (Queensland Regional Natural Resource Management Groups Collective), *Committee Hansard*, 17 October 2008, p. 71.

55 See, for example, *Submission 15*, Northern Gulf Resource Management Group; *Submission 8*, Mr Murray Cooper; *Submission 10*, Wellington Shire Council; *Submission 13*, South Gippsland Landcare Network and *Submission 31*, Ms Cathy Trembath.

56 *Submission 25*, Fitzroy Basin Association Inc, p. 3.

regions."<sup>57</sup> The submission identified the need for mechanisms to further enhance this capacity, and suggested that this could be done by supporting the existing capacity (which is often state-based), or through building capacity within communities.<sup>58</sup>

2.62 The Blackwood Basin Group also supported the need for provision of formal training and career development programs for NRM staff. They stressed the importance of retaining the skills and knowledge of both paid and volunteer staff and submitted that this could be facilitated through:

... an accredited training program, and transferability of employment benefits between employers in the NRM industry. This helps to encourage skilled people to stay in the industry, by giving them good career pathways.<sup>59</sup>

### ***Monitoring and evaluation, and accountability***

2.63 The committee received a significant amount of evidence in relation to the need to improve monitoring and evaluation mechanisms, in addition to improving levels of accountability generally.

2.64 In its submission, the Yarram Yarram Landcare Group argued that the close monitoring and evaluation of projects and programs is of critical importance to facilitate community based activism and stewardship. The group stated that:

Investment programs that lack direction and accountability with regard to M&E have in the past, been the missing element in obtaining a better understanding of the causal relationships between community based NRM outputs and priority outcomes as described in Regional Catchment Strategies and other management plans.<sup>60</sup>

2.65 The Yarrum Yarrum Group also argued that, in regard to monitoring and evaluation, there is a definite need for more accountability – particularly when funding programs. The Group suggested that more responsibility also needs to be placed on NRM agencies to provide monitoring and evaluation programs that facilitate better decision making and sound investment. It was also seen as important to ensure that investment is well placed to allow scientific processes to underpin any monitoring and evaluation.<sup>61</sup>

2.66 WWF and HSI argued that monitoring programs have frequently been viewed as a 'cost' rather than an 'investment' and were, therefore, poorly implemented under the first two phases of NHT. The groups' submission asserted that the "importance of

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57 *Submission 18*, WWF-Australia and Humane Society International, p. 6.

58 *Submission 18*, WWF-Australia and Humane Society International, p. 6.

59 *Submission 9*, Blackwood Basin Group, p. 2.

60 *Submission 6*, Yarram Yarran Landcare Network, p. 1.

61 *Submission 6*, Yarram Yarran Landcare Network, p. 1.

monitoring and evaluation to science, and program planning and evaluation, cannot be overstated" and recommended that:

... a comprehensive and nationally-consistent regional monitoring and evaluation system for NRM programs is established to record changes in baseline bioregional assessment findings and to inform Resource Condition Reports.<sup>62</sup>

2.67 The Collective also stressed the importance of effective monitoring and evaluation of NRM activities and argued that the Commonwealth should take more responsibility for improving the coordination of monitoring and evaluation activities. The Collective also suggested that investment in better spatial resource condition monitoring would allow for a time captured sequence of resource condition trends. Its reasoning being, that this would in turn allow land managers to better manage their natural resources and governments to monitor the effectiveness of their investment.<sup>63</sup>

2.68 The issue of monitoring and evaluation of NRM projects has also been raised in formal reviews of NRM programs and is discussed in the next section of this chapter.

### ***Reliable funding mechanisms***

2.69 A significant number of submissions stressed the importance of organisations having access to a reliable source and level of funding.<sup>64</sup>

2.70 In raising the importance of the Commonwealth's commitment to long-term investment in NRM, Growcom used the example of the Reef Rescue partnership. It was argued that the partnership, which had been developed through the collaboration of the Queensland state industry groups and the reef NRM regions, was a model all partners were keen to continue. Growcom had recently been advised, however, that funding for this sort of collaborative process was for the 'transition year' only and that ongoing funding for the partnership had not been guaranteed. Growcom argued that terminating funding in this way "puts strain on all organisations involved as with only one year funding (or perhaps six months) truly strategic and comprehensive approaches are not obtainable".<sup>65</sup>

2.71 The Fitzroy Basin Association argued that one of the most important lessons learned was "that short term program based funding is not an efficient or effective way to improve the health of our natural resources".<sup>66</sup>

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62 *Submission 18*, WWF-Australia and Humane Society International, p. 7.

63 *Submission 41*, Queensland Regional NRM Groups Collective, p. 5.

64 See, for example, *Submission 1*, Mr R. Ryan; *Submission 4*, Ms Dawn Marotti, Arawata Landcare Group; *Submission 5*, Woodend and Five Mile Creek Landcare Group; *Submission 9*, The Blackwood Basin Group and *Submission 35*, The Western Australian Farmers' Federation.

65 *Submission 65*, Growcom, p. 17.

66 *Submission 25*, Fitzroy Basin Association Inc, p. 3.



2.72 The Tasmanian Farmers and Graziers Association (TFGA) also argued that NRM programs should have longevity and that one of the weaknesses of many NRM programs has been the uncertainty created by variable funding arrangements. The TFGA went as far as to suggest that:

A far better arrangement would be for NRM funding to be a permanent budget line item, excluded from the electoral cycle, program name changes and politician partisanship.<sup>67</sup>

2.73 The NHT sought to facilitate improved working relationships between the Commonwealth and state governments through bilateral agreements which outlined the governance, financial management, monitoring and reporting responsibilities of each party. In addition to encouraging signatories to work toward the development of complementary policies and programs, the agreements stressed the importance of all levels of government working in partnership with the community. Rural communities in particular were identified as having a key role to play in the ecologically sustainable management of Australia's natural resources.

2.74 While access to a reliable source of funding is important, the committee also received a submission indicating that the assessment of funding applications needs to be improved. Mr Bernard Powell told the committee that, while locally based Landcare groups have been effective in many cases, their funding success has often resulted from their ability to submit good funding applications rather than the relative priority of their proposals.<sup>68</sup>

### ***The need for a long-term, strategic approach to NRM***

2.75 The committee received a considerable amount of evidence in support of the need for a long-term, strategic approach to natural resource management. Submissions argued that the need for a long-term approach must be supported by long-term funding, at both the federal and state level.<sup>69</sup>

2.76 The National Farmers' Federation (NFF) indicated that it has been a keen supporter of a longer term, strategic approach to NRM, and argued that, whilst the NAP and NHT programs had sought to operate according to a longer term approach, their efforts had been constrained by federal budgets and three year election cycles. The NFF also argued that with incumbent governments unable to commit funds on behalf of future governments, there is a real need to find funding mechanisms that go beyond annual budgets and three year funding rounds.<sup>70</sup>

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67 *Submission 12*, Tasmanian Farmers and Graziers' Association, p. 1.

68 *Submission 11*, Mr Bernard Powell, p. 1.

69 See, for example, *Submission 13*, South Gippsland Landcare Network; *Submission 58*, Namoi Catchment Management Authority and *Submission 65*, Growcom, p. 3.

70 *Submission 44*, National Farmers' Federation, p. 10.

2.77 The Wonyip Landcare Group also argued that natural resource management (specifically Landcare) should be bi-partisan and non-political. The group submitted that:

Projects may run for 10-20 years to see any definitive outcomes and should be evaluated on their merit by scientific experts and not by politicians.

...

It is a waste of funds to start a project and then stop funding before a conclusion or outcome is achieved, ie. the early salinity investigations in the Murray River Basin a decade or so ago.<sup>71</sup>

2.78 The South Australian Government submitted that the primary benefits of long-term, sustainable funding include: a level of certainty which allows groups to pursue regional priorities and focus on delivering significant long-term outcomes and the ability to recruit and retain well qualified staff over the long-term.<sup>72</sup>

2.79 The SA Government stated that that the development of future natural resource management programs at a national level should:

- recognise that it is more cost effective to prevent damage than repair it;
- implement program structures that address strategic NRM issues in an integrated manner, whilst providing sufficient flexibility to accommodate regional variability;
- identify, protect and rehabilitate high value NRM assets;
- address emerging issues (such as climate change);
- employ decision-making that is based on the best available scientific and socio-economic information and advice, and
- provide for timely review of this information and advice.<sup>73</sup>

2.80 The Queensland Regional Natural Resource Management Groups Collective is also strongly supportive of a long-term strategic approach at the national level, suggesting that it should include:

- **State of the Environment Reporting** that would link regional, state and national reporting.
- **An integrated national, state, and regional framework** that would include national priorities targets and budgets, state plans targets and budgets, and regional plans.
- **Accountability** addressing the Australian National Audit Office (ANAO) concerns in relation to vertically integrated monitoring,

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71 *Submission 7*, Wonyip Landcare Group, p. 2.

72 *Submission 57*, South Australian Government, p. 8.

73 *Submission 57*, South Australian Government, p. 8.

evaluation and reporting (MER) ranging from Management Action Targets (MATs) at the regional level to Resource Condition Targets at the state and national level.

Establish an integrated, publicly accessible national remote sensing and data capture system.

- **Partnerships and Bilaterals** including integration of recurrent funding with other programs for example climate and water and bilateral agreements with the states which encompass the roles and responsibilities of national, state and local governments and regional NRM bodies, state and regional plans.
- **Establishment of a National Environmental Accord** that creates a national, integrated environment program.<sup>74</sup>

## Evaluations and reviews

2.81 Since the introduction of these NRM programs, a number of evaluations and reviews have been undertaken. This section of the report sets out the findings and recommendations of six of those evaluations. The government has indicated that the comments made by various individuals and groups, and the recommendations outlined in a number of these reports, were taken into consideration during the design and implementation of the Caring for our Country program.<sup>75</sup> In Chapter 3 of this report the committee assesses Caring for our Country against the findings and recommendations of these evaluations and reviews.

### *1996-97 – ANAO Report – Commonwealth NRM and Environment Programs*

2.82 In 1996-97, prior to the introduction of NHT, the Australian National Audit Office (ANAO) examined a range of relevant NRM programs. The ANAO review raised concerns regarding the measurement of outputs and monitoring and evaluation. The ANAO review acknowledged that some work was being done by agencies in an attempt to measure outputs. On the whole, however, accounting was limited to specific items such as increases in the number of Landcare groups or the quantity of fencing erected to protect vegetation. The ANAO's report noted that, generally, agencies are still "unable to indicate in any detail the outcomes that had been achieved from any of the programs examined."<sup>76</sup>

2.83 The ANAO also reported at the time that Commonwealth NRM and environment programs "fell short of identified better practice in terms of monitoring

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74 *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, pp 6-7.

75 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 8.

76 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996-97, p. 3.

and evaluation of projects and reporting of outcomes."<sup>77</sup> The ANAO also made specific suggestions in relation to the reporting framework being established under the then draft Partnership Agreements between the Commonwealth and the states and territories for purposes of the intended NHT program. The ANAO argued that any performance reporting framework should:

- identify appropriate mechanisms for Commonwealth and state/territory monitoring and evaluation of projects and programs;
- allow the relevant parties to evaluate the extent to which actions or activities of governments and project proponents result in progress against NHT objectives; and
- provide for audits to ensure that agreed monitoring and evaluation measures would be effective.<sup>78</sup>

2.84 The ANAO's report also argued that, in terms of accountability:

- agencies had the scope and capability to make significant improvements to the performance and financial accountability of the programs examined; and
- less resources should be devoted to input controls and greater attention should be given to essential program-level financial and performance monitoring, evaluation and reporting.<sup>79</sup>

2.85 The ANAO concluded that:

- there were significant problems in relation to duplication of projects, and groups/agencies/organisations were not clear of their respective responsibilities for project outputs and outcomes;<sup>80</sup>
- program objectives were broad and difficult to measure across all programs;<sup>81</sup> and
- there needed to be a single, comprehensive management information system for collecting and collating data, which allows information to be processed and reported on in a customised format.<sup>82</sup>

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77 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996-97, p. 69.

78 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996-97, p. 70.

79 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000-01, June 2001, p. 40.

80 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996-97, p. 27.

81 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996-97, p. 24.

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***ANAO Report – 2000-01 – Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust***

2.86 In June 2001, the ANAO released the findings of an audit conducted to examine:

- the performance information used to support the administration of the \$1.5 billion in Commonwealth financial assistance under the NHT; and
- compliance with legislative requirements for performance monitoring and reporting.<sup>83</sup>

2.87 The ANAO's review determined that administering agencies had been giving monitoring and evaluation increased priority, and concluded that the results of the renewed monitoring and evaluation process should provide the basis for the design of future environment and NRM programs.

2.88 The ANAO's report acknowledged that with the large number of people and organisations involved in the delivery of NHT, it can be a challenge to demonstrate the achievement of outcomes. At the same time, however, the report argued that "the complexity of delivery arrangements does not absolve Commonwealth agencies from their responsibility to demonstrate accountability to the Parliament."<sup>84</sup>

2.89 The ANAO suggested that a joint Commonwealth/state body could provide joint monitoring and reporting mechanisms to strengthen performance measurement and accountability for both levels of government. It was further noted that a cooperative approach could:

- lead to the enhancement of base data;
- contribute to improved performance targets; and
- provide up-to-date environmental information, which would assist in both the development of policy and program management.<sup>85</sup>

2.90 Based on its review, the ANAO made a number of recommendations, several of which made specific suggestions in relation to the importance of:

- the outputs from NHT programs being used to develop baseline data and challenging (but achievable) targets, prior to the implementation of new programs;

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82 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996-97, p. 24.

83 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000-2001, p. 11.

84 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000-01, p. 79.

85 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000-01, p. 89.

- administering agencies developing a consistent approach to data validation and providing greater assistance to ensure the accuracy and validity of output and outcome data;
- administering agencies implementing performance measures as an integral part of accountability arrangements for the NHT and future NRM programs;
- administering agencies monitoring medium term performance, including the management of program risks;
- the development of performance indicators and data-sharing protocols to ensure improvements continue to be made to baseline data; and
- the development of methods to more closely link strategies and inputs with program achievements.<sup>86</sup>

***ANAO Report – 2004-05 – The Administration of the National Action Plan for Salinity and Water Quality***

2.91 The objective of the ANAO's audit of the administration of the NAP was to:

... examine and report on the planning and corporate governance for the new regional delivery model of the NAP program, jointly administered by the Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage (the Agencies).<sup>87</sup>

2.92 The ANAO's report acknowledged that significant progress had been made in reaching agreements between governments and introducing a new regional delivery model. The report noted, however, that it had taken almost four years for this progress to be achieved and argued that if longer-term outcomes for salinity and water quality were to be achieved:

For the remaining four years of the program, close attention must be paid to building on recent research initiatives and actively encouraging regions to put in place measures that are well targeted and appropriate for the formidable challenges being presented to the NAP regions of Australia.<sup>88</sup>

2.93 The report also noted that significant investment in the NAP only commenced in the 2003-04 financial year, and pointed to delays in funding reaching the regions following approval and payment into state accounts. It was suggested that moving towards three-year funding agreements across all states and territories "should assist in

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86 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000-01, pp 28-30.

87 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 13.

88 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 15.

expediting the program and removing some of the bottlenecks in decision-making and program expenditure".<sup>89</sup>

2.94 It was noted that the monitoring and reporting framework for NAP was generally sound. However, because of delays in establishing the framework, performance reporting had been based on estimates rather than on actual performance. It was argued that:

Greater attention to ensuring a consistent quality of actual performance outputs should be a high priority for the remainder of the program. It will be particularly important to report over time on the extent to which concentrated action under the program has lead to significant land or water use change.<sup>90</sup>

2.95 The report acknowledged that the delivery of NAP through regional bodies was a new and evolving process for agencies, and it was noted that there had been some opportunity for the Agencies to consider program risks and corporate governance arrangements. The joint delivery approach of the agencies had also demonstrated the advantages of presenting a simplified 'face of government' to clients. In terms of managing program risks, however, the report concluded that:

... at the regional level, strong and concerted action by all stakeholders is required if the program risks are to be effectively managed. In particular, there are substantial residual risks in small, newly established, community-based bodies having primary responsibility for delivering challenging outcomes and managing substantial allocations of Australian Government funds.<sup>91</sup>

### ***The Keogh Report – 2006***

2.96 With funding for both the NAP and NHT programs due to cease in June 2008, in 2005 the Natural Heritage Ministerial Board commissioned an independent reference group, chaired by Mr Kim Keogh (the Reference Group), to give consideration to the future of NRM programs.

2.97 The Reference Group was tasked with reviewing the regional delivery of the government's NRM programs and providing independent advice on:

- the strengths and weaknesses of current NRM programs' regional delivery arrangements;

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89 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 17.

90 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 17.

91 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 18.

- improving the effective delivery of NRM programs regionally, including possible actions to streamline processes; and
- enhancing regional community engagement in NRM, including through involvement of local government, Landcare groups, volunteers and other stakeholders.<sup>92</sup>

2.98 The Reference Group undertook targeted consultations with a range of key stakeholders associated with the regional delivery of NRM programs across Australia, including: regional NRM bodies, sub-catchment groups, industry groups, local government, community groups, Indigenous community members, Landcare groups and state and territory governments.<sup>93</sup>

2.99 The report of the Reference Group (the Keogh Report) was released in March 2006 and contained 28 recommendations relating to areas such as government support for NRM, community engagement, improvements to delivery, communication and capacity building, as well as information and knowledge, and monitoring and evaluation.<sup>94</sup> The key conclusions can be summarised as follows:

- there is strong community support for continuing the regional delivery of NRM across Australia;
- the past five years have seen a giant shift in Australia's approach to NRM with greater emphasis on regional priorities;
- significant human capital, time and financial resources have gone into building the necessary links between communities, industry and government for the successful regional delivery of NRM programs;
- some key sectors, such as the primary industry sector and local government, are yet to be wholly engaged; and
- security of funding is an essential ingredient to the long-term success of NRM.
- a commitment by the Commonwealth Government to continue funding the regional delivery of NRM programmes would be welcomed.<sup>95</sup>

2.100 One of the most significant findings of the Keogh Report was the overwhelming support for the regional delivery of NRM across Australia.<sup>96</sup> Feedback

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92 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of NRM Programmes*, March 2006, p. 5.

93 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, p. 14.

94 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, pp 9-12.

95 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, p. 13.



from stakeholders indicated that, compared with the way in which previous programs and projects were managed, the regional delivery approach had resulted in a greater level of professionalism and strategic thinking. It had also "led to an increased understanding of natural resources by both those directly involved and the general community".<sup>97</sup>

2.101 The Keogh Report concluded that the regional NRM model has been successful in leveraging volunteer effort and providing good value for money by accessing volunteer labour. The report notes that the Australian Landcare Council estimates the value of this volunteer contribution to be worth more than three times that provided through formal investor funding.<sup>98</sup>

2.102 Stakeholders did, however, also raise concerns about a number of issues relating to the regional delivery model, including:

- **Problems with the way in which investment was delivered.** The Keogh Report identified delays in the distribution of approved funding, a lack of flexibility in spending funds (to allow for any unforeseen delays in projects) and inconsistency in investment allocations.
- **NRM programs being delivered outside the regional model.** Stakeholders cited the examples of the National Landcare Program and Community Water Grants as types of "outside delivery" which led to confusion in communities, particularly as groups tried to work out where to seek funding, and frustration for regional bodies trying to deliver strategic outcomes against a range of competing mechanisms.
- **Problems obtaining sufficient baseline data and underpinning science for regional target-setting.** It was argued by stakeholders that this lack of information contributed to a level of inconsistency in the way projects were designed and monitored.<sup>99</sup>

### ***ANAO Report – 2006-07 – The Conservation and Protection of National Threatened Species and Ecological Communities***

2.103 The ANAO's 2006-07 audit was primarily designed to report on the range of measures to protect and conserve threatened species and ecological communities in

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96 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, p. 6.

97 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, p. 23.

98 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, p. 6.

99 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 11 and Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangement for Regional Delivery of NRM Programmes*, March 2006, pp 5-8.

Australia. Within the range of measures reviewed was the implementation of recovery actions and conservation through programs such as the NHT.<sup>100</sup>

2.104 The report outlined the level of Commonwealth investment in biodiversity conservation actions and those projects supported by NHT which impact on threatened species and ecological communities – approximately \$251 million between 2002 and 2006.

2.105 The ANAO reported that the administering agency's evaluation of the program had found that there was a "lack of standard, meaningful and quantified monitoring and evaluation systems for the national investment stream".<sup>101</sup> The ANAO agreed with this conclusion and noted that this had:

Limited the capacity of the department to report to Parliament on the extent to which NHT initiatives, funded at the national level, have contributed to program objectives.<sup>102</sup>

***ANAO Report – 2007-08 – Regional Delivery Model for the National Heritage Trust and the National Action Plan for Salinity and Water Quality***

2.106 In February 2008, the ANAO released the report of an audit in relation to the regional delivery model for NHT and NAP. The purpose of the audit was to assess and report on the administration of the regional delivery of NHT2 and the NAP. Both administering departments were included in the audit which focused on:

- the implementation of the regional delivery arrangements;
- governance and financial management for regional delivery; and
- monitoring, evaluation and report on the programs' performance.<sup>103</sup>

2.107 The ANAO's report noted that the move to a regional delivery model had been based on consideration of the views of a range of stakeholders and the lessons learned from the program evaluations conducted by the administering departments.<sup>104</sup> The report also noted that the rationale for regional delivery was that it could be more strategic and more results-focused at a regional level and that:

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100 Australian National Audit Office, Audit Report No. 31, 2006-07, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Brochure, p. 3.

101 Australian National Audit Office, Audit Report No. 31, 2006-07, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Brochure, p. 9.

102 Australian National Audit Office, Audit Report No. 31, 2006-07, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Brochure, p. 9.

103 Australian National Audit Office, Audit Report No. 21, 2007-08, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, pp 14-15.

104 Australian National Audit Office, Audit Report No. 21, 2007-08, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Brochure, p. 4.

This was supported by well designed bilateral agreements between the Australian Government and the States/Territories and a comprehensive planning and accreditation process based on the 'best available' science. Given the scale of the NRM challenges across Australia and past experiences, it was a reasonable model in the circumstances.<sup>105</sup>

2.108 The ANAO stated that progress in implementing improvements in administration following ANAO Report No. 17 2004-05 had "been comprehensive and well focused on significant risks".<sup>106</sup> The report also noted that whilst there was evidence to indicate that the Commonwealth had been well supported by state and territory governments and regional bodies in improving administration, there were still a number of issues that needed to be addressed, including:

- significant areas of non-compliance by state agencies with the bilateral agreements that would require attention leading into the proposed next phase of NHT ( NHT3);
- it was not possible to report meaningfully on the extent to which the program outputs contribute to the outputs sought by government;
- there is an absence of consistently validated data, and a lack of agreement on performance indicators and intermediate outcomes, which limits the quality of the reporting process; and
- performance measurement has been an ongoing issue covered by three previous ANAO audits since 1997-98 and should be a priority for attention in the lead up to NHT3.<sup>107</sup>

2.109 In relation to the implementation of regional delivery, the ANAO found that:

- Regional delivery was well supported by stakeholders, including Australian and state and territory Ministers at the time and underpinned by consultation and a comprehensive risk management plan. However, guidance as to whether certain actions will deliver value for money over the longer term needs to be strengthened. The ANAO also noted concerns about the absence of information on costs and benefits of treatment actions
- Bilateral agreements were generally well designed and provide a good basis for collaboration between Australian state and territory agencies as well as regional bodies. The ANAO highlighted that greater consistency across agreements would be desirable.

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105 Australian National Audit Office, Audit Report No. 21, 2007-08, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, p. 15.

106 Australian National Audit Office, Audit Report No. 31, 2006-07, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Brochure, p. 4.

107 Australian National Audit Office, Audit Report No. 21, 2007-08, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, p. 16.

- There were significant limitations in regional plans, though the ANAO did recognise that these plans were based on best available information at the time.
- Regional investment strategy approvals are documented and based on merit. Further work is required to demonstrate the contribution of investments toward ultimate targets and outcomes.

2.110 In terms of NRM governance arrangements the ANAO found:

- Governance arrangements had been subject to substantial review and improvement since raised in the 2004-05 ANAO audit. Improvements included: formalising arrangements, independent evaluation and development of a regional governance checklist.
- Significant delays in payments continue to be an ongoing issue, impacting on the implementation of programs. ANAO noted the need for stronger monitoring to manage and mitigate the risk of payments being delayed to the regions and funds accumulating in State/Territory Accounts
- Breaches of the bilateral agreements were identified and ANAO recommended action to ensure that appropriate controls are put in place to achieve greater consistency and compliance with bilateral agreements.

2.111 In relation to monitoring, evaluation and reporting the ANAO recommended the development and implementation of a performance management framework that includes core performance indicators to measure actual results and consistent business rules for the collection and collation of performance data.

### **Committee comment**

2.112 Having considered the range of observations arising from both formal reviews and evidence to the committee, the committee is satisfied that a number of clear lessons can be drawn from previous NRM program experience:

### ***Regional delivery model***

2.113 There is significant support for regional delivery method for NRM and it is widely considered to provide a useful platform for future NRM programs:

- the regional model has been successful in building working partnerships, facilitating engagement and building capacity among stakeholders;
- it has resulted in a high level of professionalism and strategic thinking and increased awareness of NRM issues across all sectors; and
- the model would benefit from some national coordination to enable better integration of regional, state and national priorities.

2.114 The committee considers that one of the key strengths of the regional delivery model is its effectiveness in providing 'bottom-up' input in relation to the

identification of NRM issues and practical initiatives to address them. Given the size of the Australian continent, it is clear that no single NRM initiative is likely to be capable of effectively addressing issues across the diversity of landscapes. The regional delivery model offers a means of ensuring initiatives are capable of practical implementation at the regional and local level.

### ***Stakeholder engagement***

2.115 Consultation with and cooperation between stakeholders at all levels is vital to the successful long-term delivery of NRM projects.

- there has been a significant investment of human capital, time and financial resources in NRM projects at all levels that needs to be acknowledged and respected.
- there is a need to continue to build and maintain capacity, particularly at the local, community level.
- current bilateral agreements are well designed and provide a good basis for collaboration.

2.116 The committee notes the significance of adopting a highly integrated approach to NRM issues, particularly across the three tiers of government: Commonwealth, state and local. The committee also notes the evidence received regarding the need to strengthen the current institutional arrangements between the Commonwealth and each state to ensure the states are fully engaged in supporting NRM initiatives, both financially and institutionally, and to ensure continued collaboration on NRM projects across state boundaries.

### ***Effective monitoring, evaluation and reporting***

2.117 While there have been improvements in monitoring and evaluation, further attention on key areas will enhance the delivery of NRM programs, including:

- greater consistency in accountability and governance;
- a meaningful and consistent approach to monitoring and evaluation, including a closer link between strategies, inputs and program achievements;
- baseline data and underlying science needs to be captured to inform target setting and contribute to an understanding of condition of NRM resources.

2.118 The committee is mindful that the ANAO audits of previous NRM programs have focussed on the administration of those programs by the relevant Commonwealth departments and as such, have tended to consider the delivery arrangements for these programs from the perspective of financial accountability, governance and management. While these are all extremely important elements in the administration of Commonwealth funds, the committee also notes the evidence presented to the committee regarding the need for monitoring and evaluation of NRM programs to also

capture data which will contribute to a greater understanding of the condition of NRM resources over time. The committee notes the view that the collection of such data would facilitate better management of natural resources, more comprehensive evaluation of the effectiveness of investment in NRM initiatives and provide a more science based platform for longer-term, strategic NRM planning.

***Long-term secure funding***

2.119 To achieve long-term success a long-term strategy is required which is underpinned by a long-term commitment to provide secure funding.

2.120 In the next chapter the committee considers how Caring for our Country has responded to the lessons learned from previous programs.

# Chapter 3

## Caring for our Country

### Introduction

3.1 Caring for our Country officially commenced on 1 July 2008, with the Commonwealth Government allocating a budget of \$2.5 billion over the first five years. The government announced its intention to introduce the new Caring for our Country program progressively during 2008-09 and indicated that regional natural resource management organisations would be provided with a guaranteed base level of funding. The government announced that some funding had also been committed for the 2009-10 financial year, for foundational activities and previously approved multi-year projects.

3.2 The new program seeks to integrate delivery of all previous natural resource management programs, including:

- Natural Heritage Trust (NHT);
- National Landcare Program (Landcare);
- Environmental Stewardship Program;
- Working on Country (Indigenous land and sea ranger programs);
- Community Coastcare; and
- World Heritage.<sup>1</sup>

3.3 The government announced that in order to address the identified weaknesses of previous programs – as outlined in reviews conducted by both the ANAO and the Keogh Ministerial Reference Group – key aspects of the new program would involve:

- establishing five-year program outcomes and shorter-term (one to three year) targets to guide priorities for investment;
- an annual Caring for our Country business plan, inviting proposals from all relevant organisations to undertake activities that will contribute to achieving the national priorities, outcomes and targets;
- a streamlined and integrated system for managing information, funds, contracts, acquittals and reporting;
- providing certainty for long-term decisions by supporting programs of investment that span multiple years;

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1 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, pp 3-4.

- introducing a consistent assessment process to select investments (this will be trialled through the Caring for our Country Open Grants process);
- establishing clear and uniform requirements for monitoring and reporting on progress (to be included in all funding agreements) and the framework for the annual Caring for our Country report card; and
- introducing improved web-based tools for accessing and sharing data and information about investments, outcomes and natural resource management activity across Australia.<sup>2</sup>

3.4 Responsibility for the delivery of Caring for our Country is shared between the Department of the Environment, Water, Heritage and the Arts and the Department of Agriculture, Fisheries and Forestry (the Departments).

3.5 This chapter provides an overview of the Caring for our Country program and considers the extent to which the program builds on knowledge and experience gained from previous NRM programs.

### **Caring for our Country Business Plan**

3.6 A key component of the Caring for our Country program is the Business Plan. Under the new arrangements, a Business Plan will be released in September each year.<sup>3</sup> The Business Plan will outline the Commonwealth Government's five year program outcomes, short term targets and priorities for investment.<sup>4</sup>

3.7 The 2009-10 Business Plan identifies the following six priority areas:<sup>5</sup>

- **The national reserve system** – which aims to conserve Australia's distinctive landscapes, plants and animals through a system of reserves across Australia.
- **Biodiversity and natural icons** – priorities for government funding will include protecting World Heritage Areas, tackling weeds and pest

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2 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, pp 3-4.

3 The government's first Business Plan was delayed and was not released until November 2008. (*Committee Hansard*, Senate Environment, Communications and the Arts Committee, Estimates Hearing, 24 February 2009, p. 66).

4 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

5 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, pp 4-14.



animals that threaten biodiversity, and improving outcomes for nationally threatened species and communities.

- **Coastal environments and critical aquatic habitats** – includes the delivery of the Great Barrier Reef Rescue package, protecting and rehabilitating areas for critically endangered and endangered species and migratory shorebirds, improving the quality of water discharged into coastal environments and protecting Ramsar wetlands.
- **Sustainable farm practices** – builds on the National Landcare Program and encourages the adoption of on-farm land management practices that continue to maintain and improve production and deliver ecosystem services for the whole community.
- **Community skills, knowledge and engagement** – which will invest in the skills and knowledge of Indigenous people, volunteers and communities and assist them to partner more effectively with regional and other organisations to deliver landscape-scale change. This priority will build on the work undertaken by groups such as Landcare and Coastcare over many years.
- **Natural resource management in northern and remote Australia** – will aim to secure better environmental and natural resource outcomes in northern and remote Australia, particularly for Indigenous groups. Funding of \$50 million has been committed through Caring for our Country for Indigenous Protected Areas and \$90 million for the employment of an additional 300 Indigenous rangers across Australia.

3.8 In a joint submission, the Departments told the committee that they would be drawing on key principles and processes from tools such as the Investment Framework for Environmental Resources in the development of outcomes, draft targets and the business plan. These principles and processes would also be applied to the assessment and funding recommendations.<sup>6</sup>

## Monitoring and evaluation

3.9 As noted in Chapter 2, the adequacy of evaluation and monitoring frameworks in previous NRM programs has been an area of some concern. The Departments advised the committee that these criticisms have been responded to a number of ways.

3.10 First, outcome statements identifying what will be achieved by June 2013 were publicly released on 30 September 2009. The Departments told the committee that the statements were developed based on:

- priorities identified through the Commonwealth Government's legislation, policy and international commitments;

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6 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 15.

- priorities identified through election commitments;
- the highest priorities where investment and intervention can make a significant difference in the medium term; and
- budget available and limited consultation with key stakeholders and scientists.<sup>7</sup>

3.11 These outcome statements are then supported by the annual publication of the Commonwealth Government's short-term targets in the Business Plan. Finally, the Caring for our Country Monitoring, Evaluation, Reporting and Improvement (MERI) Strategy, released in July 2009, provides a standard approach for monitoring and reporting on performance under Caring for our Country.

3.12 The key aims of the MERI strategy are to:

- enable the achievement of the Caring for our Country five year outcomes by monitoring implementation against key MERI evaluation questions;
- meet the Commonwealth Government requirements for accountable and transparent expenditure of public funds through reporting by outcomes; and
- articulate clear requirements for funding recipients and the Commonwealth Government.<sup>8</sup>

3.13 Mr Thompson, an officer from DAFF, told the committee that:

We actually developed that strategy in consultation with states, communities, regions and scientists. That is out there for the community so they are in a much better position to understand what sort of data we need to measure performance, which they can use for measuring their performance.<sup>9</sup>

## Access to funding

3.14 A budget of \$2.25 billion has been allocated for the first five years of Caring for our Country. Up to \$260 million (including regional budgets) will be available each year through the Business Plan.<sup>10</sup>

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7 *Submission 37A*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 3.

8 *Submission 37A*, p.1.

9 *Committee Hansard*, 13 November 2009, p. 89.

10 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p.3.

### *Continued funding commitment to existing regional organisations*

3.15 In their submission to the inquiry the Departments advised the committee that under Caring for our Country, the 56 existing regional organisations were guaranteed a total of \$159 million – which represented approximately 88 percent of the funds they received in 2007-08. All regional bodies were advised, in April 2008, of the exact amount of funding they were guaranteed to receive for the 2008-09 financial year.<sup>11</sup>

3.16 Commencing in 2009-10, the government has also committed to providing regional natural resource management organisations with secure base-level funding for the first five years of Caring for our Country (2008-09 to 2012-13). It is the government's intention to provide, as a minimum, \$138 million each year to the 56 regional organisations. This figure is the equivalent of approximately 76.7 percent of the funding allocated in 2007-08 (under NHT and NAP).<sup>12</sup>

3.17 The Departments compared this with the availability of funding under the NHT and NAP programs, where regional organisations were restricted to accessing a specific regional pool of funds (\$181.8 million in 2007-08) and had limited access to additional funds through small, state-wide, competitive funding rounds. The Departments submitted that under Caring for our Country, these organisations will be eligible to apply for funding (and participate in activities) from a much larger pool of funds (approximately \$300 million in 2008-09).<sup>13</sup>

3.18 However, the committee notes that although regional organisations were guaranteed an amount of funding collectively in 2008-09, in reality the amount allocated to each regional organisation could vary from 80% to 60% or less.<sup>14</sup> This is a source of great uncertainty for many of the regional organisations. The committee also notes that, based on figures supplied by the Departments, the total amount of funds allocated to the 56 regions decreased by \$22,790,179 in 2008/09 compared with that 2007/08.<sup>15</sup>

3.19 The Departments also advised that during the 2008-09 transitional year of the program, a further \$132.1 million of funding would be available, in addition to the \$159 million guaranteed baseline funding for regional organisations. This additional funding was to be allocated through a range of processes, including:

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11 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 12.

12 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 13.

13 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 13.

14 *Committee Hansard*, 17 October 2009, p. 26.

15 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, Attachment B.

- Landcare Sustainable Practice Grants – up to \$18 million;
- National Reserve System – up to \$25.6 million;
- Community Coastcare – up to \$20 million;
- Open Grants (including further opportunity for landcare activities) – up to \$25 million;
- Working on Country – up to \$6 million;
- Environmental Stewardship – up to \$7.5 million; and
- Reef Rescue – up to \$30 million.<sup>16</sup>

3.20 At its hearing on 17 October 2008, the committee sought clarification from the Department of Environment, Water, Heritage and the Arts of the funding that would be available to each regional NRM organisation:

**Ms Colreavy**—I will break it down for you. In 2008-09, \$127.2 million was allocated to the regional bodies. Every regional body got 60 per cent of their average funding. That is the 60 per cent—it is \$127.2 million—plus they were each given a share of \$31.9 million, which was 15 per cent of the previous regional allocation. They were each given a share of \$31.9 million which was termed assistance for the transitional costs.

**Senator IAN MACDONALD**—And that is the \$159 million?

**Ms Colreavy**—That adds up to \$159.1 million. For 2009 through to 2013, we will be allocating the \$127.2 million, which is the 60 per cent—they will each receive a four-year budget and they will get that in the next few weeks—plus there will be transitional funding of \$10.8 million.

**Senator IAN MACDONALD**—For the next four years the global figure is \$127 million plus \$10 million?

**Ms Colreavy**—Yes, so it is \$138 million. The global figure for the next four years will be \$138 million.

**Senator IAN MACDONALD**—Per year?

**Ms Colreavy**—Per year.

3.21 Ms Mary Colreavy, Acting First Assistant Secretary, Department of Environment, Water, Heritage and the Arts, went on to explain that each regional organisation would also have a four-year budget and would be required to submit a proposal in response to the Business Plan indicating how they intended to spend their guaranteed baseline funding. At that time, regional organisations would also be able to submit bids for additional projects over and above that guaranteed baseline funding.<sup>17</sup>

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16 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

17 Ms Mary Colreavy, Acting First Assistant Secretary, Australian Government Land and Coasts Division, Department of Environment, Water, Heritage, and the Arts, *Committee Hansard*, 17 October 2008, p. 31.

### ***Scale of projects***

3.22 Caring for our Country has been designed to fund projects of varying size and scale. Large and medium scale projects are expected to be delivered through partnership arrangements between a number of stakeholders and are expected to:

- have a high degree of integration;
- outline a strong governance structure across the range of sectors and interest groups;
- build on existing investments; and
- have a work plan and risk management plan.

3.23 Large-scale and medium scale projects are a priority for investment, particularly where they protect key assets and address multiple targets. There is an expectation that large and medium scale projects will be delivered through partnerships.<sup>18</sup>

3.24 Medium-scale projects are also defined as those that contribute to the delivery of multiple targets at a landscape scale. Medium-scale projects will have a budget of between \$2 and \$3 million per annum and will be expected to contain the same components as large-scale projects.

3.25 With regard to small-scale projects, the Business Plan states that preference will be given to projects which contribute directly to identified targets and require funding of between \$20,000 and \$100,000. Smaller, community-based organisations with project proposals requiring less than \$20,000 are encouraged to form partnerships with other organisations before submitting a proposal, or to contact their local regional natural resource management group to determine whether there are other options available for local grants.<sup>19</sup> The Business Plan anticipates that community groups such as Landcare, Coastcare, and local Indigenous organisations will become involved in some medium-scale projects.<sup>20</sup>

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18 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 25.

19 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, Figure 4: Options for submitting a small project, p. 31.

20 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 30.

### ***Additional funding commitments***

3.26 A number of Caring for our Country targets and activities were committed for 2009-10 outside the competitive funding process, through funding of multi-year projects and election commitments. These include:

- *Previous commitments:* funding has been committed to a range of existing multi-year funding programs including Landcare Sustainable Practices Grants; Environmental Stewardship (targeting critically endangered White Box, Yellow Box and Blakely's Red Gum grassy woodland) as well as the National Reserve System, Indigenous Protected Areas and Working on Country.<sup>21</sup>
- *Election commitments:* the delivery processes and delivery agents for a number of activities which have already been determined, include:
  - development of a Cane Toad Threat Abatement Plan;
  - preparation of the Ningaloo Reef nomination for submission to the World Heritage Centre;
  - support for research into the Tasmanian Devil facial disease;
  - restoration and enhancement of salt marsh vegetation in the Tuggerah Lakes estuary; and
  - contracting of Indigenous rangers through Working on Country funding (with over 200 Indigenous rangers to be recruited by June 2009).<sup>22</sup>
- *Great Barrier Reef Rescue Package:* \$200 million has been allocated over five years to "reduce the decline in water quality by providing assistance to land managers in the reef catchments to accelerate the uptake of improved land management practices".<sup>23</sup>
- *Commitments with state governments:* a range of projects for which the relevant state government will match funds including a program to reduce the impact of rabbits and rodents on Macquarie Island; the eradication of foxes from Tasmania; the development of secure management arrangements for the Wet Tropics of the Queensland World

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21 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 15.

22 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 16.

23 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 40.

Heritage Area; and the national coordination and delivery of the Weeds of National Significance Strategy.<sup>24</sup>

- *Foundational activities*: some funding will be made available for projects that arise outside of the normal Business Plan funding cycle, to allow projects of a critical nature to be undertaken. The types of projects that may be included in this category include: a review of Australia's Ramsar sites, and the preparation of a draft national framework for the identification, classification and management of Australia's high conservation value aquatic ecosystems (HCVAE).<sup>25</sup>
- *Caring for our Country facilitators*: \$8 million per annum has been allocated to fund a new Caring for our Country Facilitator Network. The government intends that the new Facilitator Network will address some of the concerns in relation to previous facilitator arrangements – including duplication of processes and a lack of clarity. The funding will also support an extension of the Indigenous Land Management Facilitator Network.<sup>26</sup>

### ***Committee comment***

3.27 The committee notes claims that the total allocation to NRM under Caring for our Country is consistent with similar allocations of funding to NRM in previous budget allocations.<sup>27</sup> However, the committee notes that the calls on this funding include allocations to existing regional organisations, a range of additional funding commitments including election commitments. The committee is of the view that while the pie may be of similar proportions, the government is expecting it to fund many more projects.

### **Streamlined application process**

3.28 In their submission, the Departments noted that the evaluations of the NHT and National Landcare Program had called for more simplified program design and more streamlined accountability requirements. The Departments submitted that the

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24 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 17.

25 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 17.

26 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p.17.

27 Department of Agriculture, Fisheries and Forestry, *Annual Report 2008-09*, p. 19 and Senate Environment, Communications, and the Arts Legislation Committee Estimates Hearing, *Committee Hansard*, 28 May 2009, pp 5-7.

process by which groups would apply for funds under Caring for our Country had been developed in response to this. The Departments stated that:

Rather than having separate requirements for funding, contracts, monitoring, reporting and information sharing for each individual component of the program, Caring for our Country will integrate, simplifies and streamlines [sic] all these requirements in one consistent approach.<sup>28</sup>

3.29 The committee notes that in seeking funding under Caring for our Country, groups will not be required to submit multiple applications for funding. Groups will need only provide a single application for funding.<sup>29</sup>

3.30 Ms Colreavy told the committee that the program arrangements under Caring for our Country were a clear response to feedback from the regions. Ms Colreavy said that the Departments had received criticism from the regions over a number of years regarding the complexity of previous program arrangements. She said:

We were also criticised by the regions in particular about the complexity of our program arrangements and about the complexity of the funding decision models that were made because of the various hierarchies of program delivery through national, regional and local; ... and, quite rightly, regions criticised us for that because they found it very difficult to work with and they found that each of those programs had their own reporting arrangements and therefore it created a very heavy workload for them in terms of reporting.<sup>30</sup>

3.31 The committee noted that in August 2008 the Departments were finalising the details of the new arrangements that would apply from 2009-10 and that a standard contract was progressively being introduced for all investments made under Caring for our Country.<sup>31</sup> Ms Colreavy told the committee:

We are also investing a lot of effort this year in streamlining our arrangements so that it is less complex. For instance, regions will only have to apply once to us in a given year for any of the component parts of the program. Within the business plan we will capture all of the underlying component parts. This year there have been separate calls for the NRS, for Working on Country, for IPAs and for Coastcare grants. We had the open grants, which we will not have again. That was another grants model. We had a separate call for Landcare earlier in the year. In future all of those component parts will be captured within the business plan and a body such as the south west region, or whatever, will have first of all from us a guaranteed baseline sum of money that they will have for their ongoing future investment work on which they will be able to take out a small

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28 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

29 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 15.

30 *Committee Hansard*, 17 October 2008, pp. 30 -31.

31 *Submission 37*, p Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.



proportion for their administrative overheads. Most of their funds will have to be spent on targeted, on-ground work but we will accept a proportion of their funds to be spent on their administration overheads.<sup>32</sup>

## Partnerships

3.32 The committee notes that the Business Plan states that "the Australian Government recognises both the need for many different groups to work together to bring about change, and the importance of the diverse range of stakeholders working and volunteering in natural resource management across Australia".<sup>33</sup> The Business Plan states that multi-regional and cross jurisdictional projects are encouraged, as is the inclusion of community grants where they are consistent with Caring for our Country targets.<sup>34</sup>

3.33 The Business Plan also states the expectation that regional investment proposals will:

- have regard for the diversity of stakeholders and the skills and knowledge that each sector brings to a partnership; and
- identify the most relevant delivery agents and delivery mechanisms such as market-based instruments and devolved grants.<sup>35</sup>

3.34 The Business Plan also outlines the government's support for regions that are able to develop partnerships with key groups in their community, with a view to addressing the widest range of natural resource management priorities. The Business Plan notes, for example, that:

- the government is keen to see the inclusion of community grants in investment proposals;
- regional groups are encouraged to participate in multi-regional and cross jurisdictional projects; and
- regional groups are expected to coordinate local level projects [to support the delivery of targets that address the national priority area of community skills, knowledge and engagement].<sup>36</sup>

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32 *Committee Hansard*, 17 October 2008, p. 31.

33 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 20.

34 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

35 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, pp 20-21.

3.35 In addition to encouraging regional groups to form partnerships, the government has declared its support for all stakeholder groups to build partnerships and work together to achieve outcomes. There is an expectation, for example, that investment proposals will have regard for the diversity of skills and knowledge that various sectors can bring to partnerships and the Business Plan notes that:

The Australian Government is particularly keen to support projects delivered by parties having complementary skills and interests and working together to more effectively deliver projects.<sup>37</sup>

3.36 Non-government organisations (such as WWF-Australia, the Humane Society International and Greening Australia) are seen as important to the delivery of long-term projects, particularly because these groups are frequently able to "provide the mechanism to mobilise public support and voluntary contributions for natural resource management activity".<sup>38</sup>

3.37 Mr Thompson, representing DAFF, told the committee that it was an objective of Caring for our Country to provide opportunities for a broader range of participants. He said that under previous programs the major competitive element was "Envirofunded small-scale projects". Caring for our Country opens up larger scale funding to a broader range of delivery agents.<sup>39</sup>

3.38 The Business Plan also notes that industry groups, research and development institutions and consultants are in a position to provide expertise to assist in the delivery of programs and support on-ground results. The government has indicated that it would support partnerships between these types of organisations, particularly where these groups are able to directly contribute to the achievement of Caring for our Country targets. There is an expectation that large-scale projects will include these type of organisations in partnership arrangements.<sup>40</sup>

3.39 The government has also announced its intention to work toward further improving the Commonwealth's relationships with the state and territory governments.

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36 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

37 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 20.

38 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 22.

39 Mr Ian Thompson, Executive Manager, Sustainable Resource Management, Department of Agriculture, Fisheries and Forestry, *Committee Hansard*, 13 November 2009, p. 72.

40 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 22.

In contrast to the more complex joint decision making processes established under the NHT and NAP, the government intends to "work cooperatively with states and territories to invest in mutually beneficial actions that achieve shared outcomes in our national priority areas for investment". The arrangements which existed for measuring state contributions – including 'in-kind' contributions – will no longer be in effect. However, the Commonwealth expects states and territories to continue to invest in natural resource management programs at a level at least equivalent to that invested under NHT and NAP.<sup>41</sup>

3.40 The government has indicated that it intends to continue working with the states in designing implementation arrangements for Caring for our Country, and more particularly, will look for opportunities for cooperative delivery throughout the life of the program. The details of this new partnership with the states and territories will be developed as part of future bilateral agreements with each state and territory.<sup>42</sup>

3.41 The Business Plan outlines its approach in encouraging Indigenous organisations to participate in Caring for our Country, and acknowledges the significant and unique knowledge, skills and management responsibilities which Indigenous groups are able to bring to natural resource management. The Business Plan notes that any approach to engaging Indigenous groups needs to be flexible, and that preference will be given to proposals which include active engagement with Indigenous people and proposals:

... that incorporate Indigenous ecological knowledge with the delivery of Caring for our Country targets are encouraged, in particular those that draw together the use of traditional ecological knowledge, local knowledge and western science to protect, restore and better manage the environment and productive agricultural lands.<sup>43</sup>

## Discussion of issues

### *Caring for our Country - a comprehensive NRM plan?*

3.42 The question of whether Caring for our Country represents a comprehensive approach to natural resource management, as with a number of the issues raised during this inquiry, provoked a mixed response.

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41 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 17.

42 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 17.

43 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 22.

3.43 A number of submitters welcomed the clear and concise articulation of the Commonwealth's NRM priorities and suggested that Caring for our Country offered a cost effective means of achieving them.<sup>44</sup> The CSIRO argued that:

This greater problem-based and geographical focus presents a genuine opportunity to limit the transaction cost of regional bodies and their partners seeking to engage in a diverse range of issues across large areas with multiple partners.<sup>45</sup>

3.44 Some submitters expressed optimism that Caring for our Country might lead to a more integrated approach to NRM. Greening Australia was supportive of the scope of the program and noted that the use of a Business Plan to secure bids for work might be constructive if it encourages large scale restoration work rather than a piecemeal approach.<sup>46</sup>

3.45 Some industry groups welcomed the emphasis given to particular NRM themes. The Ricegrowers' Association of Australia was supportive of the emphasis given to sustainable management of private land.<sup>47</sup> Similarly, the Queensland Farmers' Federation (QFF) was pleased to note that certain of their recommendations for improvements in the lead up to NHT3 were reflected in Caring for our Country, in particular the priority attached to sustainable agriculture. However, the QFF expressed concern that there appears to be less funding available for sustainable agriculture than under previous programs and that there was a question mark over the extent to which the strategic investment arm of the National Landcare Program would be replicated under the new arrangements.<sup>48</sup>

3.46 However, some submitters expressed concern that Caring for our Country had the potential to alienate certain groups. The committee has noted elsewhere concerns about the potential disenfranchisement of community groups and the negative impact on partnerships. The committee also notes concerns that the role of local governments appears to be diminished within the new program and that local government organisations appear to be excluded from decision making processes in relation to NRM priorities and investment.<sup>49</sup>

3.47 Other submitters expressed more qualified support for the six national priority areas. The Northern Gulf Resource Management Group (NGRMG) argued that, as it

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44 *Submission 19*, South West Catchments Council Inc, p. 7; *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, p. 9; *Submission 22*, Bass Coast Landcare Network, p. 5.

45 *Submission 50*, CSIRO, p. 14.

46 *Submission 34*, Greening Australia, p. 7.

47 *Submission 32*, Rice Growers' Association of Australia, p. 3.

48 *Submission 67*, Queensland Farmers' Federation, p. 8.

49 *Submission 19*, South West Catchments Council Inc. pp. 8-9; *Submission 36*, Western Australian Local Government Association, p. 4.

currently stands, the Caring for our Country program does not represent a comprehensive approach. Whilst the Management Group is supportive of the six national priority areas, it argued that "there is as yet little substance as to how these priorities can be effectively delivered and little evidence of how the evaluations of previous NRM programs have been used to refine delivery."<sup>50</sup> The South West Catchments Council stated that the government's targets may be too broad and lack enough specificity to give strong guidance to groups submitting proposals.<sup>51</sup>

3.48 The Queensland Regional Natural Resource Management Groups Collective (QRNRMGC) argued that, in its present form, Caring for our Country will not deliver on Australia's future NRM needs.<sup>52</sup> Whilst it was supportive of the six national priority areas, the QRNRMGC argued that for these national priorities to be effectively delivered, the one-off open grants scheme should not be the principle means of delivery. It was also argued that there needs to be more focused consultation with stakeholders when determining delivery mechanisms and there needs to be greater security of funding for regional bodies. QRNRMGC is also aware of the need for probity and accountability, but argued that there are better ways to achieve this than competitive bidding, which it argued will fail unless it occurs within the framework of an agreed national plan:

We are not building roads, ie. well defined projects that lend themselves well to competitive bids, we are dealing with NRM – complex, requiring collaboration, intertwined with social and economic imperatives and requiring fundamental social and economic change eg. ETS and Peak Oil.<sup>53</sup>

3.49 The ACT Natural Resource Management Council's submission also expressed the view that that Caring for our Country does not represent a comprehensive approach to addressing NRM issues in Australia. The Council argued that:

It is rather a set of selective investments in particular natural resource areas against a set of priorities determined solely by the Australian Government. The program addresses biodiversity, land and community capacity, while most issues to do with water are excluded. It remains a challenge for the Australian Government to integrate the delivery of their investment programs.<sup>54</sup>

3.50 A similar view was put by the Fitzroy Basin Association (FBA) who argued that Caring for our Country is essentially only a funding program and therefore only one part of the system required. The FBA suggested that a comprehensive approach or framework should also take account of climate change and water management, which currently rest outside the program and with another minister and department. The

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50 *Submission 15*, Northern Gulf Resource Management Group, p. 10.

51 *Submission 19*, South West Catchments Council Inc, pp 8-9.

52 *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, p. 9

53 *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, p. 9.

54 *Submission 21*, ACT Natural Resource Management Council, p. 3.

FBA also stressed that a comprehensive approach requires a national framework supported by state frameworks and underpinned by regional plans.<sup>55</sup> The committee notes that this view is supported by other evidence to the inquiry discussed previously in the report.

### ***Consultation on the Business Plan***

3.51 A number of witnesses expressed concern to the committee that the development of the Business Plan and identification of national priorities was not underpinned by a consultative process. In particular, witnesses were concerned that regional and local input into the identification of priorities had been lost in favour of centralised decision making.<sup>56</sup>

3.52 Ms Andrews, from the National Natural Resource Management Regions Working Groups and the National Resource Management Board of the Northern Territory, told the committee that her understanding is that the priorities in the Business Plan were developed in Canberra and that the data sets upon which they were based came from Commonwealth departments. She said that:

This is where we need to make a distinction between how we set national priorities, state or territory priorities and regional and local priorities. There should be a good overlap between them, but they should all be informed by the best available knowledge and datasets. Then the priority-setting process should be something where there is partnership and consultation. That did not happen in this instance.<sup>57</sup>

3.53 On behalf of the Departments, Mr Thompson confirmed for the committee that:

It is probably fair to say that the initial prioritisation for some elements of Caring for our Country, because it was a new program being introduced by a new government, was not able to be as widely discussed as might have been desirable in other circumstances, but we did consult with a targeted group of people to do a bit of a reality check on things. We have subsequently got a little broader than that, over the last 12 months, in getting more information on the targets.<sup>58</sup>

3.54 The committee notes that the Departments have subsequently provided avenues for feedback on Caring for our Country and the Business Plan through stakeholder workshops. Participants in these workshops have found them a positive exercise.<sup>59</sup> Mr Berwick told the committee:

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55 *Submission 25*, Fitzroy Basin Association Inc, p. 6.

56 See for example, *Committee Hansard*, 13 November 2009, p. 3, p. 10 and pp 34-35.

57 *Committee Hansard*, 13 November 2009, p. 30.

58 Mr Ian Thompson, Executive Manager, Sustainable Resource Management, Department of Agriculture, Fisheries and Forestry *Committee Hansard*, 13 November 2009, p.75.

59 See for example, *Committee Hansard*, 13 November 2009, p. 12 and p. 40.

We did have a stakeholder workshop that the Commonwealth ran and I attended, as did the other state chairs. There were also other peak bodies—the conservation sector was there, the farming sector was there, the science sector and so on. It was quite a good workshop. That workshop raised from all the sectors all the same sorts of things that we have been raising today.

...

We do not know whether they adopted all of them, ignored all of them or if they ever went anywhere.<sup>60</sup>

3.55 The committee sought a copy of the summary report of the Caring for Our Country Stakeholder Workshop held on 3 August 2009 and notes that the issues raised are highly consistent with those raised during this inquiry.<sup>61</sup>

3.56 The committee notes that the government's clear intention was to establish a set of national priorities and to target funding toward these priorities.<sup>62</sup> The committee heard that this was a response to appeals from regional bodies for the Commonwealth to identify its priorities. Ms Colreavy, representing DEWHA, told the committee:

They felt that in their regional plans they inevitably had such a wide range of things that were all worthy of funding that, in order to align their activities as closely as they could with the Commonwealth's program of preferred actions as well as the state actions, they were very keen to have the Commonwealth articulate more clearly what our priorities were. They wanted to be able to revise and amend their plans to address that.<sup>63</sup>

3.57 The committee also heard that the NRM groups feel constrained by the Business Plan in their ability to leverage Commonwealth funds as they have in the past. Ms Gross of the QCNRMG told the committee:

Previously when we were given the amount of money we said, 'These are our national targets. What could you deliver for us with this amount of money?' What we were able to do was go out and catch a whole heap of other investment to build on the amount that the Australian government gave us. At the moment we do not have that ability. We are just given that 60 per cent and we say, 'You can only spend it on these areas in accordance with the business plan.' In the past we might have gone to an international company like ESRI and said, 'We need to deliver these sorts of mapping products in the landscape to achieve these national targets,' and they would have said, 'We like you because you are a not-for-profit and we like what you're doing. You give us 10 per cent and we'll fund the other 90 per cent.' So we did not need all of the Australian money to achieve this major

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60 Committee Hansard, 13 November 2009, p. 12.

61 Answers to Questions taken on Notice, DAFF and DEWHA, Attachment A, Summary Report of the Caring for our Country Stakeholder Workshop, 3 August 2009.

62 Ms Mary Colreavy, Department of the Environment, Water, Heritage and the Arts, *Committee Hansard*, 13 November 2009, p. 73 and p. 75.

63 *Committee Hansard*, 13 November 2009, p. 74

achievement. We only needed 10 per cent as seeding. I cannot seed anything in the existing framework. I cannot take this model and build that money.<sup>64</sup>

3.58 Groups also feel frustrated that they are unable to challenge the priorities set by the Business Plan where these do not accord with those established in regional plans. Ms Andrews of the National NRM Regions Working Group and the NRM Board for the Northern Territory illustrated this by saying groups were encouraged to prioritise physical targets over community or engagement targets.<sup>65</sup>

3.59 Mr Berwick explained to the committee that this disconnect between regional priorities and national priorities had the potential to produce very non-strategic results. Mr Berwick told the committee:

For example, in the western part of Queensland there is a parthenium weed problem in the headwaters. Those headwaters drain into wetlands of national significance and RAMSAR wetlands and so on. The business plan does not allow you to target the weeds in the headwaters. You have to wait until they get to the wetlands and then you can target them. We have had the same experience with tilapia in the wet tropics where it is widespread. Our strategy with neighbouring regions has been to stop it getting into those regions of high conservation significance, but you cannot do that until it gets there. Our tilapia funding was knocked back because we did not fit within the guidelines. That sort of top-down approach has led to a much less strategic approach to how you manage the landscape.<sup>66</sup>

3.60 The committee notes that consultation prior to the release of the latest 2009-10 Business Plan appears to have been limited and rushed.<sup>67</sup> The committee notes the commitment of the Departments to respond to feedback with regard to particular NRM issues in various areas of Australia in setting targets in future Business Plans. The committee agrees with the observation of Mr Berwick that it appears problematic to release a new Business Plan every year. "It takes time to put these things together and to consult and collaborate".<sup>68</sup>

### ***Management of the transition to Caring for our Country***

3.61 By 14 August 2008, the date by which the committee invited submissions, applications for funding under the Caring for our Country Open Grants had recently closed. In October, when the committee held its first hearings, the results of that competitive funding round were still to be announced.<sup>69</sup>

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64 *Committee Hansard*, 13 November 2009, p. 11.

65 See for example *Committee Hansard*, 13 November 2009, p. 13, p. 30, p. 37 and p. 51.

66 *Committee Hansard*, 13 November 2009, p. 4.

67 *Committee Hansard*, 13 November 2009, p. 12 and 75.

68 *Committee Hansard*, 13 November 2009, p. 13.

69 The announcement was made on 20 November 2008.



3.62 It was, therefore, no surprise to the committee that much of the evidence provided to it at that time was characterised by uncertainty. A number of witnesses told the committee that they were unable to determine how the transition to Caring for our Country would impact on existing NRM groups in the medium to longer term. However, even at that early stage some significant impacts were already being felt at the regional and local level.

3.63 As noted in paragraph 4.18 the financial year 2008/09 was a transitional year for the Caring for our Country program during which time the 56 existing regional organisations were guaranteed a proportion of the funding they had received in 2007-08. In recognition of the need for regional bodies to plan with some certainty, the government advised every region in April 2008 of the funding they were guaranteed to receive in 2008-09.<sup>70</sup>

3.64 However, the committee received evidence that the uncertainty involved with transitional funding had the potential to undermine successful projects and partnerships and place a great strain on some existing NRM groups.<sup>71</sup>

#### *Loss of continuity and momentum*

3.65 The CSIRO submitted that the transitional, one year funding arrangements proposed under Caring for our Country risked the potential loss of momentum, strategic focus and continuity in the delivery of on-the-ground natural resource management outcomes. The CSIRO argued that the transition from the first to the second phase of NHT resulted in the marginalisation of individual land managers.<sup>72</sup>

3.66 Growcom told the committee that the partnership to deliver Reef Rescue, that had been developed through the collaboration of the Queensland state industry groups and the reef NRM regions, was a model all partners were keen to continue. However, at the time of lodging its submission, Growcom had been advised that funding for this sort of collaborative process was for the 'transition year' only and that ongoing funding for the partnership had not been guaranteed. Growcom argued that terminating funding in this way "puts a strain on all organisations involved as with only one year funding (or perhaps six months) truly strategic and comprehensive approaches are not obtainable".<sup>73</sup>

3.67 The NGRMG expressed concern about how the changed funding structure had undermined regional planning and cooperation. NGRMG noted that, in 2008, the key changes to funding under the Caring for our Country program have been a reduction in funding to regional NRM bodies, and open, contestable grants. The NGRMG argued that:

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70 *Submission 37*, p. 12.

71 *Submission 1*, Mr Rob Ryan, pp 1-2.

72 *Submission 50*, p. 14.

73 *Submission 65*, Growcom, p. 17.

The reduction in funding to regional NRM bodies has resulted in the cutting of programs which were in full implementation phases resulting in both the loss of momentum and staff. In particular, the cutting of funds for all the Regional Landcare Facilitators and Strategic Regional Facilitators over and above the reduction in funding for regional investment strategies has exacerbated the loss of momentum and increased the impact on delivery.<sup>74</sup>

3.68 Professor David Pannell told the committee that the shift in funding approach also placed a serious question over the continued funding of regional NRM groups

... there is a large overhead cost required to keep the regional bodies operating. With the reduction in funds that they have now had under the new program, all of the core funds will be spent in just keeping the doors open and funding the staff that they have, so they are very reliant on attracting additional funds in competitive rounds or from other sources. If they were to be unsuccessful in doing that, then you would have to ask why they are being supported; what is happening with the core funds and why are we supporting core funds without the real doing funds.<sup>75</sup>

#### *Loss of staff*

3.69 A number of witnesses told the committee that they had lost staff as a consequence of the changes and that this had been extremely disruptive. Mr Damien Hills, General Manager of the South West Catchments Council told the committee that the uncertainty and instability associated with the change in direction had disenfranchised many community volunteers and groups and had led to an exodus of staff.<sup>76</sup>

3.70 The committee notes that with the provision of transitional funding some organisations were able to retain or replace staff in the short term. However, the uncertainty regarding future funding had placed many other organisations under a great deal of stress. Mrs Belinda Brennan, Network Coordinator for the South Gippsland Landcare Network, told the committee that the gap in funding between the completion of one funding program and the commencement of the next had meant that the network had lost one and a half staff members. She said:

My position as network coordinator is currently covered through the money that the West Gippsland Catchment Management Authority receives. They got their base-level funding. They are in the same boat, as I would suggest every other NRM organisation in Australia is, waiting for the competitive process to be announced. We have all put our applications in. We have had tremendous support from the West Gippsland CMA in that they have given each of the six networks in West Gippsland a half-time network coordinator. Unfortunately they do not have the funds to cover the

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74 *Submission 15*, Northern Gulf Resource Management Group, p. 8.

75 Professor David Pannell, *Committee Hansard*, 10 October 2008, p. 6.

76 *Committee Hansard*, 10 October 2008, p. 33.

facilitator positions that were in the networks prior to 30 June. They funded those positions until the end of September with the hope that we would find out prior to then what the funding was, but we did not. We lost one and a half staff members from our network and that was a similar loss across the other networks as well.<sup>77</sup>

3.71 Mr Greg Hales, Project Manager for the Blackwood Basin Group, one of the largest subregions of SWCC, told the committee that:

We are not currently government funded at all. We have gone from a four-year average of \$2¼ million per year down to we [sic] have been able to manage so far, which is \$46,000. We are down to three staff—in fact, last week we lost 19 years of corporate NRM experience because we could not offer even six-month contracts. In six months, we may lose the rest of our staff—another 35 years of NRM experience in the south-west of WA gone as our income streams are taken away from us.<sup>78</sup>

3.72 The committee notes the evidence it received regarding the impact of these staff losses on the ability of groups to carry out current work. While in some cases groups were able to continue with projects and field work, in other cases these activities had already been curtailed out of necessity.<sup>79</sup> The committee notes that the ability of an NRM body to retain staff depended on the type of organisation and the extent to which it was able to access other sources of funding for staffing purposes.<sup>80</sup>

### ***Unintended consequences of the competitive funding model***

3.73 The committee notes that on 20 November 2009, the government announced that out of more than 1300 applications seeking nearly \$3.4 billion in Caring for our Country funding, approximately \$28.5 million in funding had been allocated to support 137 local and community groups with environmental and sustainable farming projects.<sup>81</sup>

3.74 The committee notes that this appears to be a low success rate for proposals that take proponents many hours to prepare. The committee also heard many examples

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77 Mrs Belinda Brennan, Network Coordinator, South Gippsland Landcare Network, *Committee Hansard*, 17 October 2008, p. 109.

78 *Committee Hansard*, 13 November 2009, p. 63.

79 *Committee Hansard*, 17 October 2008, p. 112.

80 *Committee Hansard*, 13 November 2009, p. 21.

81 See *Caring for our Country Business Plan 2009-10 Investments, Frequently Asked Questions*, DAFF Website <http://www.nrm.gov.au/business-plan/faq.html> accessed 11 December 2009 and Joint Media Statement, the Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry and the Hon. Peter Garrett AM, MP, Minister for the Environment, Heritage and the Arts *Caring for our Country Grants*, 20 November 2008, <http://www.alp.org.au/media/1108/msaffenh200.php> accessed 14 December 2009.

of seemingly worthy projects that had not received funding and of the adverse impacts this had had on morale and partnerships.<sup>82</sup>

### *Impact on partnerships*

3.75 The committee heard that the competitive funding model had the potential to hinder rather than facilitate effective working relationships. A consistent concern raised with the committee was that the competitive model would potentially pit groups who had previously relied on each other for support and assistance against each other in the bid to secure funds.<sup>83</sup> Mr Greg Hales, Program Manager with the Blackwood Basin Group, told the committee that competition could lead to distrust and a confusion of roles in the delivery of NRM programs:

Regional bodies are supposed to provide support and admin assistance to the end user groups and local groups, and the link between state and federal governments and grassroots. Instead it has become another layer of bureaucracy that makes local groups' jobs more difficult. Regional groups are also competing with local groups for funding. This creates mistrust and hinders good working relationships.<sup>84</sup>

3.76 The CSIRO also argued that there was a risk of hard-won alliances, and partnerships between resource managers and users from regional and state bodies and industry sectors being dismantled. However, the CSIRO added that it is not the competition for funds itself that presents the risk, rather, the possibility of the process removing the incentive to cooperate.<sup>85</sup>

3.77 Mrs Brennan expressed concern that the application process did not require groups to consult or collaborate with each other. The extent to which this might occur appears to depend on the nature of the relationships between groups. Mrs Brennan told the committee that Caring for our Country:

... did not seem to be encouraging partnerships. Some parts of it does, but in most parts it is 'everybody needs to get a grant in, because if you don't you will miss out'. There was no requirement for us to talk to the CMA about our grant. We did, because it is a relationship that we have, which is a strong relationship. But in other areas that relationship might not be as good.<sup>86</sup>

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82 See *Committee Hansard*, 13 November 2009, Ms Kathryn Andrews, Natural Resource Management Board Northern Territory, pp. 31-32, Dr Peter Greig, Victorian Catchment Management Authority, p. 43 and Mr Alan Bradley, Northern Agricultural Catchments Council, p. 53 and p. 57.

83 See *Committee Hansard*, 17 October 2008, p. 112. See also *Submission 6*, Yarram Landcare Network, p. 5 and *Submission 16*, South Coast NRM Inc, p. 4.

84 *Committee Hansard*, 10 October 2008, p. 70.

85 *Submission 50*, CSIRO, p. 14.

86 *Committee Hansard*, 17 October 2009, p. 112.

3.78 Mr Bradley expressed the view that it is not possible to have both a competitive and a collaborative approach. He said:

Either you foster the collaborative approach by putting someone in charge and working with all the different partners or you have a competitive approach and then it is basically the best dollar value you can get out of the community for the program that you want to achieve.<sup>87</sup>

3.79 Mr Berwick told the committee that to date the competitive process has actually discouraged collaboration between groups. He said:

We had an attempt with the first round to bring together government agencies, conservation groups, farming groups and Greening Australia, to try and get some level of collaboration. But of course you end up in a room with 150 people and 300 projects—and another hundred projects that you still do not know about—and a month or two to do it in. People come in and say, ‘This is my project.’ To get some alignment between those projects is a huge job. So, whilst everyone would like to collaborate, as CFOC asks you to, the process does not allow you to actually do that. And, of course, everyone has to survive so they go for what they can get, and you end up without cooperation.<sup>88</sup>

3.80 Ms Andrews told the committee of her concerns that a competitive process may undermine the ability to develop partnerships. She said:

I do not think that NRM is a market place in most [of] Australia. It is not as if there is an excess capacity where you can create a competitive field for people to compete to give you the best possible result. Quite the contrary, we are constantly trying to build the capacity for organisations and individuals. I think [a competitive] approach is useful as a proportion of Caring for our Country or NRM but it cannot become the sole mechanism.<sup>89</sup>

3.81 Ms Andrews also expressed concern that the competitive process did little to address capacity building. Ms Andrews explained that regional bodies, community groups and other stakeholders need support throughout the application process. In her view, the feedback from government that a lot of the proposals were not particularly good supports this. She said:

We need to be continually improving capacity and we need to be working together to do this. It might be that one particular group cannot do it by itself but if you create a positive partnership or just behind the scenes help to support them, which is what we are trying to do in the NT, then you get to a level where it is effective.<sup>90</sup>

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87 *Committee Hansard*, 13 November 2009, p. 56.

88 *Committee Hansard*, 13 November 2009, p. 22.

89 *Committee Hansard*, 17 October 2009, pp. 32-33.

90 *Committee Hansard*, 13 November 2009, p. 33.

3.82 The Blackwood Basin Group expressed concern that competitive funding situations can lead to a breakdown in data sharing. The group stressed that inter agency, industry, community and cross regional data sharing is paramount to moving forward with economical NRM projects. The group expressed concern that a competitive funding situation may create a disabling non sharing attitude between those involved in the delivery of projects.<sup>91</sup>

3.83 Professor Pannell made a similar point to the committee. In his submission, he stated that the government needed to develop a standard NRM investment framework to underpin all public investments and to assist regions in identifying worthy projects for funding. In the absence of such a framework, regions have been left to develop their own approaches, with sometimes unpredictable results. The committee was introduced to one such model: Investment Framework for Environmental Resources (or INFFER) which is currently being used by 19 regional environmental management bodies to identify internally consistent projects with the best prospects to be good value for money.<sup>92</sup>

*Maintaining community engagement under Caring for our Country*

3.84 The committee notes the clear acknowledgement in the Business Plan of the important role played by community-based organisations. For example, the Business Plan notes that Landcare and Coastcare groups, Indigenous organisations and industry groups have "been at the leading edge of on-ground delivery in environmental protection and sustainable production for many years".<sup>93</sup> The Business Plan also argues that community-based organisations and groups are well placed to coordinate local level actions or undertake work on private land.<sup>94</sup>

3.85 The Business Plan outlines an expectation that regional natural resource management organisations will coordinate local level projects to support the delivery of targets to address the national priority area of community skills, knowledge and engagement.<sup>95</sup> As discussed above, the Business Plan also envisages that some

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91 *Submission 9*, Blackwood Basin Group, p. 3.

92 See *Submission 42* and <http://cyllene.uwa.edu.au/~dpannell/inffer.htm> for further information.

93 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

94 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

95 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

community groups will apply for small-scale grants and enter into partnerships for the delivery of medium-scale projects.<sup>96</sup>

3.86 Several submitters argued that whilst a national approach may be necessary to set strategic goals, it is important that such an approach is balanced and provides respect and support for the volunteer work done by community groups.<sup>97</sup>

3.87 The committee noted concerns that a lack of consultation in the development of priorities, together with the cessation of some projects due to an inability to secure ongoing funding through the competitive funding process, has already resulted in a loss of community support. Mr Berwick told the committee of the impact of disillusionment or disenfranchisement on community trust. He told the committee that such trust was hard won. "It is really important to maintain trust, expertise and people with the right skills in these regions. Every time you lose it, it is harder to get it back".<sup>98</sup>

3.88 Ms Gross told the committee that in her view the disenfranchisement of a wide range of key stakeholders was the root of a lot of the problems experienced during the initial phase of Caring for our Country:

All the national and global evidence right around the place concludes that to achieve sustainable landscapes you really require the people who live in those landscapes to be mobilised and aligned towards common goals to actually get there. This Caring for our Country program has disenfranchised those people who live in those landscapes as well as a lot of the other stakeholders—a lot of the science community and things like that as well. It is not harnessing, acknowledging or respecting the knowledge, the skills, the capacity, the co-investment and the commitment of people who are actually in those landscapes.<sup>99</sup>

3.89 Dr Greig also stated that a lot of activity is now without any kind of direction, or at least without funded direction and, that as a result, various different and diverse community members were now "feeling rather lost".<sup>100</sup> Dr Greig stated that:

If just a little more encouragement could be fitted within the terms of the current business plan by using one of the six main headings under the business plan – the one to do with community skills, knowledge and

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96 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

97 See, for example, *Submission 7*, Wonyip Landcare Group, pp 1-3; *Submission 8*, Mr Murray Hooper, p. 1; *Submission 13*, South Gippsland Landcare Network and *Submission 59*, Tasmanian Landcare Association, p. 2.

98 *Committee Hansard*, 13 November 2009, p. 12.

99 *Committee Hansard*, 13 November 2009, p. 3.

100 *Committee Hansard*, 13 November 2009, p. 40.

engagement – and just a little bit of funding were provided towards that, we could make that little bit of funding go a lot further in many places.<sup>101</sup>

3.90 The Blackwood Basin Group argued that the top-down approach doesn't work and that in order for projects to be successful and to achieve real results, the community has to be engaged and want the project to succeed. They told the Committee that:

Time and time again we see projects fail, not because of bad management, but because of lack of enthusiasm. The policy makers need to consider what will happen on the ground as a result of their decisions, because ultimately, that's what all top level decisions should be driving towards.<sup>102</sup>

3.91 In particular, the Committee notes the large number of submissions expressing concern about the impact of the change in program on the work currently undertaken by Landcare groups over a long period of time. Submitters expressed the view that the goodwill of the farming community, volunteers and rural communities had delivered good outcomes over many years.<sup>103</sup> Submitters expressed concern that smaller groups such as Landcare would be unable to access suitable funding given the emphasis on funding large projects under Caring for our Country.<sup>104</sup>

3.92 During Additional Estimates hearings in February 2009, the Committee put these concerns to representatives from the Department of Agriculture, Fisheries and Forestry:

**Senator Ian Macdonald** – I have complaints from nearly every Landcare group in Queensland, complaining about not being able to get funds. What should I tell them? They can apply directly for smaller grants, and take their chances through the NRM body for bigger grants? And for those that did employ coordinators, facilitators, get rid of them and we will see what we give you.

**Mr Shaw** – I think there are a few suggestions. I would say you can apply directly for the small grants component. As I said, that is \$20,000 to \$100,000 under the Caring for our Country business plan. I would strongly recommend they also work closely with their regional bodies in putting forward projects that may have a larger potential that could feed into

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101 *Committee Hansard*, 13 November, p. 40.

102 *Submission 9*, Blackwood Basin Group, pp 1-2.

103 See, for example, *Submission 3*, Ashbourne Landcare, p. 1; *Submission 4*, Arawata Landcare Group; *Submission 5*, Woodend and Five Mile Creek Landcare Group; *Submission 10*, Wellington Shire Council, pp 1-3 and *Submission 12*, Tasmanian Farmers and Graziers Association, p. 1.

104 See, for example, *Submission 3*, Ashbourne Landcare, p. 1; *Submission 4*, Arawata Landcare Group; *Submission 5*, Woodend and Five Mile Creek Landcare Group; *Submission 10*, Wellington Shire Council, pp 1-3; *Submission 26*, Molonglo Catchment Group Inc, p. 2; *Submission 59*, Tasmanian Landcare Association, p. 2 and *Submission 62*, Mt Roland Rivercare Catchment Inc, p. 2.



medium-sized projects being managed by the regions themselves. I would encourage them to talk with our sustainable practices Landcare facilitators that are out there. Each one has a state, and I would strongly recommend they talk to them about their application as well.<sup>105</sup>

3.93 In evidence during this inquiry, representatives of the Department of Agriculture Fisheries and Forestry and the Department of the Environment, Water Heritage and the Arts told the Committee that the Commonwealth Government would continue to support Landcare activities, and that:

- Landcare is one of the six national priorities for investment under Caring for our Country;
- Landcare would be included under the banner of "sustainable farm practices"; and
- approximately \$189 million would be available to support Landcare activities in the first five years of Caring for our Country.<sup>106</sup>

### ***Regional delivery model***

3.94 As discussed in Chapter 2, the continuation of the regional delivery model was strongly emphasised by stakeholders as a positive element of previous NRM programs.

3.95 The submission by the Departments states that under Caring for our Country, the government continues to support the regional model "but in a way that combines the provision of some longer-term security of funding, with support and encouragement for the continued growth, independence and outcomes focus of regional bodies". The Departments' submission also refers to the provision of incentives for regions to work with other skills or networks.<sup>107</sup>

3.96 The committee notes that there is an expectation that the regions will be key partners in delivering resource management outcomes.<sup>108</sup> Mr Thompson, representing DAFF, told the committee that the regions had an important role to play in planning and identifying local scale activities, monitoring, and for developing or brokering consortiums.<sup>109</sup>

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105 *Committee Hansard*, 23 February 2009, pp 56-57.

106 Ms M Colreavy, Department of the Environment, Water, Heritage and the Arts, *Committee Hansard*, 17 October 2008, p.17.

107 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 12.

108 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 20.

109 *Committee Hansard*, 17 October 2009, p. 32

3.97 However, the committee notes the frustration among regional groups stemming from uncertainty as to the future role and significance of the regions and in particular regional investment plans.<sup>110</sup> A number of witnesses expressed disappointment that years of hard work to develop plans which took account of national priorities appeared to have been jettisoned in the move to establish a new set of national priorities. Mr Damien Hills, General Manager of the South West Catchments Council told the committee that:

It seems to have discarded in our opinion, tens of millions of dollars of previous work in developing regional plans, targets and program logic, with five years of target work at least in Western Australia at a regional scale trying to be repeated within six months out of Canberra. We fear that many of the new targets will be too broad, not specific, measurable or time bound. There is a real sense of devolved decision making being removed from regional communities to be replaced by directives coming from Canberra. Rather than being active members of a joint initiative between the states and the Australian Government ... we feel like we have been demoted somewhat to being service providers only.<sup>111</sup>

3.98 The Departments expressed confidence that most regions should be able to directly align their investment or regional plans to the national priorities set out in the Business Plan. Ms Colreavy, told the committee that the department was confident that "all regions are well placed to draw from their regional plans to identify suitable investment activities to address our national priorities."<sup>112</sup>

3.99 The Business Plan invites proposals from groups seeking funding for activities that will contribute to meeting the targets and priorities identified in them. Groups will be encouraged to use their Regional Plans and Regional Investment Strategies to outline their proposed programs of activity in response to the Business Plan.<sup>113</sup>

3.100 The committee heard that the process of developing regional plans was significant in underpinning a cooperative, collaborative approach to NRM and overcoming tension between the national agenda and local aspirations.<sup>114</sup> The committee notes the value in including the communities who will be relied upon to implement projects in the identification of priorities.<sup>115</sup>

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110 See for example Mrs Brennan, South Gippsland Landcare Network, *Committee Hansard*, 17 October 2008, p. 113 and Mr Michael Berwick, Chair, Queensland collective of Natural Resource Management Groups, *Committee Hansard*, 13 November 2009.

111 Mr Damien Hills, *Committee Hansard*, 10 October 2008, p. 33.

112 *Committee Hansard*, 17 October 2008, p. 30.

113 *Committee Hansard*, 17 October 2008, p. 32.

114 Mr Michael Berwick, *Committee Hansard*, 13 November 2009, Ms Andrews, *Committee Hansard*, 13 November 2009, p. 34.

115 Dr Peter Grieg, *Committee Hansard*, 13 November 2009, p. 39.

3.101 The committee also notes the calls for the formal integration of regional, state and national plans in the identification of national priorities. For example, Mr Berwick told the committee that he did not believe a national strategy could be developed in Canberra in isolation. He argued that the development of the Business Plan needed to be more collaborative and needed to recognise and build on regional plans. He also stressed the importance of involving state governments in this collaborative process. Mr Berwick summarised his view by stating "I think the solution is to bring back a sort of vertical integration and build from the bottom up and the top down."<sup>116</sup>

### ***Assessment process***

3.102 The committee was concerned that despite the government's intention that Caring for our Country would be underpinned by a transparent assessment process, a number of NRM groups appeared not to have a clear understanding of the assessment process. The committee notes that the assessment criteria are set out in the Business Plan. The assessment process is undertaken by a range of panels of different sizes and composition to assess applications. These include community panels made up of community members from across the country and some expert panels made up of scientists.<sup>117</sup>

3.103 Despite this, some witnesses indicated that they were having difficulty understanding why certain projects had been successful and others had not. Ms Andrews told the committee:

There were some projects that I would have thought were just a shoo-in because they had a good previous record and they seemed to be really important. I would have thought they put in high-quality submissions but they did not get funded.<sup>118</sup>

3.104 Ms Andrews went on to state that where groups sought feedback it had been provided, but she was not able to comment on how thorough that feedback was.<sup>119</sup>

3.105 Mr Bradley expressed concern that the Northern Agricultural Catchments Council did not receive any direct feedback on its individual applications. He said:

There were some broad comments provided about why projects in general were rejected. Some of it was to do with the fact that the size and the scale were too large; the areas proposed were not priority areas for the Australian government; the leverage that the proposals brought, which meant the amount of other money that was being contributed to the projects, was not sufficient nor as attractive as other projects; and some of the projects did not meet the target specified in the Caring for our Country business plan.

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116 *Committee Hansard*, 13 November 2009, p. 10.

117 *RRAT Supplementary Estimates*, 23 February 2009.

118 *Committee Hansard*, 13 November 2009, p. 33.

119 *Committee Hansard*, 13 November 2009, p. 33.

They were the general comments provided for why competitive projects were not supported.<sup>120</sup>

3.106 Ms Gross expressed concerns in relation to the transaction costs associated with the application process. She said:

The issues and the concerns are around the transaction costs and the fact that, of 1,300 applications submitted, 129 have been approved. It is probably the fact that there has been so much time, money and effort in submitting applications that have not got up as opposed to a more integrated and consultative method where, even though you may not get any more money on the ground, you have gone through a process whereby, instead of submitting an application that does not get funded and all that effort is in a sense sort of wasted, that effort actually reaps rewards through co-investment and other partnerships that can often achieve those anyway.<sup>121</sup>

### ***Monitoring and evaluation***

3.107 A number of witnesses expressed concern that Caring for our Country does not respond appropriately to the ANAO findings and that the links between investment and NRM outcomes could not be demonstrated.

3.108 Mr Berwick expressed concern that Caring for our Country has moved further away from resource condition monitoring and has moved to contract monitoring. Mr Berwick expressed the view that this was due to the magnitude of the task. He said:

In talking to staff in the department, they said, 'It was just too hard to monitor the resource condition. It was just too big a job and too expensive. In order to respond to the audit office, we are therefore going to tighten up on contract management.' I think that was one of the foundations of the move to a competitive basis.<sup>122</sup>

3.109 Ms Andrews also drew the distinction between monitoring and evaluation of program implementation and the evaluation of resource conditions. In Ms Andrew's opinion the MERI process is focussed on program monitoring and evaluation. For Ms Andrews the bigger issue in Australia is the evaluation of resource conditions. Ms Andrews said:

I think we do need a set of national environmental accounts so we can understand the trends in our resource conditions and whether we are managing to go up, down or whatever it might be.

...

There will always be an issue about attribution: are that intervention and that investment leading to that change in resource conditions? That is a

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120 *Committee Hansard*, 13 November 2009, p. 57.

121 *Committee Hansard*, 13 November 2009, p. 3.

122 *Committee Hansard*, 13 November 2009, p. 5.

tough one, and that needs to be done with good science and long-term investment but also an understanding and an ability to monitor and evaluate resource conditions. I think we need a set of national environmental accounts to achieve that. No matter how effective our interventions are, if we are not monitoring resource conditions we cannot prove to the Audit Office that we are doing a good job and we cannot learn ourselves whether we can do a better job.<sup>123</sup>

3.110 Other witnesses expressed support for the model for national accounting standards set out in the Wentworth Group of Concerned Scientists Accounting for Nature proposal.<sup>124</sup> Dr Greig told the committee:

... I believe that its basic thrust is highly appropriate. I very much like the idea that a national picture can be drawn from estimates made at a regional level, using indicators that are derived as being appropriate within those regions but scaled on a basis that can allow aggregation to the national level. That concept appears to achieve the best of both worlds and be able, for once, to give us a collective view about whether we are winning the war against gradual decline in the Australian landscape or whether we are losing it.<sup>125</sup>

3.111 Ms Gross expressed disappointment with the approach taken to demonstrate resource condition change under Caring for our Country. Ms Gross told the committee that the proposal was to use Bureau of Statistics data to show how landholders had made changes to their practice, income and so on and would draw on MODIS imagery to try and capture change in landscape health. Ms Gross told the committee:

... that process is at such a core scale and is not working collaboratively with systems that already exist in the state and regions that landholders are participating in, and therefore the scale at which they are reporting, as to whether the programs are being affected to resource condition change, is not really at a scale that is truly informing whether the investment has been worthwhile.<sup>126</sup>

3.112 Ms Gross described for the committee the approach being used in Queensland to benchmark land conditions and showed the committee a series of maps which illustrated the level of detailed information the system was able to capture. She expressed disappointment that not only was this another example of how Caring for our Country could benefit from collaborating with existing programs being employed by state governments and regional bodies, but that her group had been unsuccessful in

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123 *Committee Hansard*, 13 November 2009, p. 31.

124 Wentworth Group of Concerned Scientists, *Accounting for Nature A Model for Building the National Environmental Accounts of Australia*, May 2008. See Mr Berwick, *Committee Hansard*, 13 November 2009, p. 5 and Dr Peter Greig, *Committee Hansard*, 13 November 2009 p. 44.

125 *Committee Hansard*, 13 November 2009, p. 44.

126 *Committee Hansard*, 13 November 2009, p. 23.

securing funding to continue the system that has been developed collaboratively across Queensland. She said:

We developed a GI system across Queensland. They resubmitted that work to try and continue to get that funded because it does deliver good reporting and provides good information to enrich the Australian Government's reporting on national targets, but the business plan, being so prescriptive, does not allow us to fund that work anymore. In fact, our ability to continue to provide such a rich scale of information that is very valuable, to look at your return on investment, cannot be funded under the current program.<sup>127</sup>

### ***Projects funded under the initial Business Plan***

3.113 On 20 November 2008, \$28.5 million in funding for projects was announced.<sup>128</sup> The committee notes that the recipients of this funding included state governments, industry organisations, universities, catchment management authorities, and some existing Landcare and Coastcare groups. The committee also notes that several of the projects funded will draw together a number of local or regional organisations to address environmental issues on a larger scale. For example, the Murrumbidgee Catchment Management Authority's project Murray Mouth to Mountains Ecosystem Corridors will bring together ten catchment management organisations along the length of the Murray River. They will work together to build on and create links of native vegetation between the river and the ridgelines areas from the mouth of the Murray in South Australia through to NSW, Victoria and the ACT.<sup>129</sup>

3.114 However, the committee is concerned at the large number of project proposals that were unsuccessful in securing project funding and the extent to which demand for funding exceeded the funds allocated. The committee notes that over 1300 applications were submitted seeking a total of nearly \$3.4 billion in funding. Of these, about 100 were for base level funding for the 56 NRM regions, 57 applications were successful, and 41 were either ineligible or withdrawn.<sup>130</sup> The committee also notes

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127 Committee Hansard, 13 November 2009, p. 24.

128 Joint Media Statement, the Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry and the Hon. Peter Garrett AM, MP, Minister for the Environment, Heritage and the Arts *Caring for our Country Grants*, 20 November 2008, <http://www.alp.org.au/media/1108/msaffenh200.php> accessed 14 December 2009.

129 Joint Media Statement, the Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry and the Hon. Peter Garrett AM, MP, Minister for the Environment, Heritage and the Arts *Caring for our Country Grants*, 20 November 2008, <http://www.alp.org.au/media/1108/msaffenh200.php> accessed 14 December 2009.

130 *Caring for our Country business plan 2009-10 Investments Frequently Asked Questions*, Questions 1, <http://www.nrm.gov.au/business-plan/funded/09/faq-business-plan.html> accessed 11 December 2009

that of the 57 successful projects only 26 projects received 100 percent of the funding requested.<sup>131</sup>

3.115 The committee was also concerned that there appeared to be only a limited amount of funding directed to existing Landcare and Coastcare groups. For example, the committee notes that under Caring for our Country open grants, of the 138 successful projects only 47 were Landcare projects. The committee also notes that while a number of NSW and Victorian Landcare groups were successful in receiving funding under the Sustainable Practices Project Funding, groups in other states received little or no funding.<sup>132</sup>

3.116 In July 2009 the government announced an additional \$26 million in funding for Landcare projects across Australia as part of a "major investment in land management and sustainable agriculture".<sup>133</sup> The committee notes that once again, while Landcare groups in some states were successful in obtaining funding, minimal or no funding was allocated to Landcare groups in some states.

### **Committee comment**

3.117 While the committee notes the government's intentions to address the identified weaknesses of previous programs, the evidence provided to this inquiry paints quite a different picture. The committee notes that the government's intention was to enact change by a process of transition and evolution. The committee also notes the departments' efforts to seek feedback on the delivery of the program and their commitment to address these concerns in the development of future Business Plans.

3.118 The committee also notes that the nature of the concerns raised during this inquiry mirror those raised with the department in stakeholder workshops and those raised in recent surveys.<sup>134</sup> As Mr Berwick observed for the committee:

... consistently right across Australia there are a lot of people very unhappy with the delivery of the Caring for our Country program—not just those you wish to speak to today.<sup>135</sup>

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131 Caring for our Country business plan 2009-10 Investments Frequently Asked Questions, Questions 13, <http://www.nrm.gov.au/business-plan/funded/09/faq-business-plan.html> accessed 11 December 2009

132 Under Sustainable Practices Funding projects are to be funded from 1 July 2008 to 30 June 2010.

133 Media Release DAFF09/294B, The Hon. Tony Burke, MP, Minister for Agriculture, Fisheries and Forestry, 13 July 2009.

134 National Landcare Network, *Community Response to Caring for our Country Survey*, Tabled Document 13 November 2009, Centre for Environmental Economics and Policy, University of Western Australia, Implementation of 'Caring for our Country' Impacts at the Regional Level, 11 November 2009, Tabled Document 13 November 2009.

135 *Committee Hansard*, 13 November 2009, p. 3.

3.119 The next chapter sets out the committee's conclusions and recommendations.



# **Chapter Four**

## **Conclusions and Recommendations**

4.1 Caring for our Country has been described as an initiative which will achieve an environment that is healthy, well-managed and resilient. In launching the program, the government's intention was to build on the legacy of three decades of investment in natural resource management while addressing weaknesses identified in previous programs. In the committee's opinion, in its current form Caring for our Country falls well short of achieving this.

### **Transitional arrangements**

4.2 The committee notes that 2008-09 was a transitional year for Caring for our Country and that the initial funding arrangements under the program were intended to create certainty for regional NRM bodies in particular while the longer term arrangements for the program were developed. The committee also notes that the speed with which the departments needed to act in order to develop the initial Business Plan and process the transitional funding round did not auger well for consultation with stakeholders or the provision of key information. The committee notes the statements by the departments that they have embarked on a process of continual improvement in relation to the development of future Business Plans and that they are seeking to gather appropriate feedback to assist with that process.

4.3 However, the Committee remains concerned that although the Caring for our Country Program commenced on 1 July 2008 there was a significant delay in the release of two key documents: the Business Plan and the monitoring and evaluation framework. The Business Plan for 2009-10 was not released until 28 November 2008. As the reference document upon which organisations would be basing their submissions for funding, it is disappointing that this document was not made available earlier in the process. Similarly, the Australian Government Natural Resource Management Monitoring, Evaluation, Reporting and Improvement Framework (MERI) – again an important resource document for those interested in obtaining funding for the development of natural resource management activities – did not become available until late April 2009.

4.4 The committee also notes that the transition to Caring for our Country has been an extremely disruptive and anxious time for a lot of people involved in NRM. The committee has heard from people who are struggling to maintain physical and human resources while they attempt to secure ongoing financial resources. For many, seeing hard won gains in community involvement and project outcomes put at risk during this period of uncertainty has been a source of great stress. In this context the committee notes the observations of one witness that the lessons from the transition between NHT1 and NHT2 do not appear to have been heeded in the transition to Caring for our Country. Mrs Brennan, representing the South Gippsland Landcare Network, told the committee:

In my honest opinion, given that there was to be such a major change, we probably should have done all this sort of work and then announced the change. We have announced the change in May that we are now going to Caring for our Country, but the business plan is not out. The information we received about what we could apply for was there but it was not the best quality. ... Realistically now we should be a hell of a lot better at this.<sup>1</sup>

## **A national strategy**

4.5 The committee notes that the establishment of a set of national NRM targets through the Caring for our Country Business Plan process is an attempt to respond to calls for greater guidance from the Commonwealth in the strategic management of natural resources.

4.6 However, the committee is concerned that the national priorities and targets identified in the Business Plan appear to have been developed in relative isolation and are the product of only limited consultation with a selective range of stakeholders who were, for the most part, Commonwealth Government agencies. The committee notes that the haste with which the program was introduced, together with the decision to employ a competitive funding mechanism, appears to have had some bearing on this.

4.7 The consequences of this closed shop approach to the establishment of priorities and targets are significant and far reaching. The committee received evidence that the national priorities and targets do not translate readily to the local or regional level and have thereby excluded funding for initiatives to address important issues. The committee received numerous examples of the difficulties experienced by NRM groups in seeking to align the national priorities with regional and local priorities and in translating them into appropriate on-the-ground targets at the local level.

4.8 The committee received evidence that the lack of synchronicity between the Caring for our Country Business Plan, state NRM plans and regional plans has the potential to effectively undermine efforts to date to achieve an integrated landscape management approach. This also precludes strategic efforts by regional organisations to ensure a joined-up and synergistic approach to tackling overlapping problems or projects.

4.9 The committee is also concerned that there is an ongoing problem with the reliance of national planning and prioritisation on the nomination and identification of key threatening processes and threatened ecological communities by state and territory agencies through processes under the *Environment Protection and Biodiversity Conservation Act 1999*. This becomes increasingly problematic with the apparent move away from Commonwealth-state bilateral investment agreements and collaboration in regional NRM planning processes. The committee is concerned that

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1 Mrs Belinda Brennan, South Gippsland Landcare Network, *Committee Hansard*, 17 October 2009, p. 113.

there now appears to be no driver for states and territories to devote resources to these listing processes or to continue to embrace national data collection and sharing protocols.

4.10 The committee is strongly of the view that changes need to be made to the Business Planning process to foster an integrated and longer-term approach to land management. The targeting and prioritisation process needs to be informed by research, analysis and expertise at all levels – national, state, regional and local – to ensure that key threats to sustainable land management and biodiversity conservation identified at the local and regional level are capable of being addressed by Caring for our Country. The committee considers that the current annual Business Plan model is not compatible with a rigorous and collaborative approach.

### **Recommendation 1**

**4.11 The committee recommends that a more rigorous and comprehensive approach is taken to the identification of national priorities for inclusion in the Caring for our Country Business Plan. This process must include engaging regional and local expertise to ensure that targets established in the Business Plan are relevant at the regional and local level.**

4.12 The committee notes that the extent to which formal collaboration between states and the commonwealth will continue to be a feature of NRM is unclear under Caring for our Country. Witnesses have emphasised the important role that state governments play in NRM and that coordination between all levels of government is critical to the success of NRM initiatives. The committee notes that there is considerable support for the states to continue to formulate state level NRM plans and for this strategic thought and planning to be formally encouraged and recognised in the formulation of national NRM priorities.

### **Recommendation 2**

**4.13 The committee recommends that the Commonwealth Government continue to pursue bilateral agreements with state and territory governments to ensure greater investment in natural resource management and the continuation of natural resource management reform.**

### **Competitive funding model, community engagement and capacity building**

4.14 The committee is strongly of the view that Caring for our Country needs to be refocused to provide better support for a coordinated approach to long-term strategic regional planning, based on collaboration and co-contribution by key stakeholders.

4.15 The committee is concerned that the Caring for our Country business model has alienated and disenfranchised people whose participation in NRM is crucial to its success. It is very clear that the extent of land use change needed at the landscape scale to address the combined challenges of landscape degradation, weed and pest management, biodiversity conservation, and sustainable water use in a changing

climate will continue to require a significant level of voluntary action and private investment by land managers and regional communities.

4.16 The committee is concerned that the focus on short-term competitive funding grants, together with a reduction in support to regional NRM planning and coordination is critically undermining social and institutional capital in regional areas. As mentioned above, the committee is concerned by the substantial loss of experienced staff and volunteers, and of capacity and expertise from NRM as a result of the new program approach at a time when it is sorely needed.

4.17 The committee notes that under previous programs responsibility for this work fell largely to regional NRM bodies and that by and large, regional NRM organisations have the expertise, local engagement and regional understanding to perform this role. The committee notes evidence that the performance of regional NRM bodies in this regard was not always consistent. The committee heard evidence which suggested that, with the shift in funding arrangements under Caring for our Country, the need for the roles and responsibilities of regional bodies to be more clearly defined is greater than ever to ensure the important work of community engagement and capacity building is continued.

4.18 The committee also notes evidence from regional NRM bodies that the quantum of base line funding received under Caring for our Country to date has impacted heavily on staffing and resources and has compromised their ability to continue field and outreach work.

4.19 The committee considers that, while there may be benefits to be gained through the use of a range of means of delivery and management of natural resource projects, there is still a clear role for role of regional NRM bodies under Caring for our Country. Regional NRM bodies are well placed to foster working partnerships, facilitate engagement and build capacity at the regional and local level. However, this role needs to be more clearly defined and regional bodies need to be supported strategically and financially to undertake this work consistently.

### **Recommendation 3**

**4.20 The committee recommends that the role of regional NRM organisations under Caring for our Country be more clearly defined and that a review be undertaken to assess the adequacy of support provided to regional NRM organisations in this regard. This review must consider the appropriate level of institutional support and base line funding necessary for regional NRM organisations to successfully undertake this role.**

4.21 The committee is also concerned that, despite Caring for our Country's aim of encouraging collaboration at the regional and local level, evidence received suggests that the competitive process has actively discouraged such cooperation in many instances. The committee heard reports of groups who, while collaborating on certain projects through regional NRM groups, were also submitting overlapping and competing project proposals in an effort to improve their chances of success. The committee also heard concerns that stakeholders may have been holding back information from certain joint efforts to enhance the chances of competing projects.

4.22 The committee notes that under previous programs NRM groups, land managers and agencies successfully collaborated on longer term strategic projects. The committee is not convinced that the current competitive model provides for this, despite its claims to provide incentives to support such collaboration. The committee notes that engagement with relevant stakeholders and partners will be taken into account when determining whether a proposal "demonstrates clear and measurable achievements against at least once of the Caring for our Country targets" in the Business Plan.<sup>2</sup> The committee considers that any funding model should provide much clearer incentives for collaboration on long-term landscape scale strategic planning and action to ensure that individual projects are carefully considered and coordinated with a view to producing tangible landscape outcomes. The committee believes that proposals that have been developed and negotiated by a number of stakeholders to address common issues at the landscape level are more likely to be outcome focussed and capable of practical implementation.

4.23 The committee is also concerned that under Caring for our Country, NRM groups appear to no longer have the flexibility to leverage Commonwealth funds through other sources of investment. The committee considers that initiatives to attract additional investment for NRM projects from private and overseas sources should be encouraged.

#### **Recommendation 4**

**4.24 The committee recommends that the Commonwealth Government consider avenues for providing clearer requirements and incentives to stakeholders to collaborate with a range of project partners on long-term landscape scale strategic planning and action.**

#### **Recommendation 5**

**4.25 The committee recommends that the evaluation method for competitive bid applications be modified to give greater consideration to the likelihood of projects achieving defined and measurable environmental outcomes.**

#### **Recommendation 6**

**4.26 The committee recommends that the funding model for Caring for our Country be reviewed and consideration be given to increasing the level of overall funding.**

#### **Application process**

4.27 The committee is concerned at evidence it received about the complexity and uncertainty of the application process. The committee is particularly concerned at the high transaction costs involved in the lodgement of applications, the lack of

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2 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 38.

transparency and accountability in the evaluation of proposals, and the limited feedback available to unsuccessful applicants.

4.28 The committee considers that the application process should be reviewed and that consideration is given to avenues for reducing the costs, in terms of time and resources, involved in lodging an application. The committee notes that a number of large-scale projects were approved on the basis of expressions of interest. The committee believes that this approach may offer a means of containing transaction costs across the full range of applications.

### **Recommendation 7**

**4.29 The committee recommends that the application process be reviewed and that avenues for reducing the costs involved in submitting applications be considered, including the lodgement of expressions of interest.**

### **Recommendation 8**

**4.30 The committee recommends that a framework be established to provide consistent support and feedback to all applicants for funding under Caring for our Country.**

## **Monitoring and Evaluation**

4.31 The committee understands that the monitoring and evaluation of NRM projects still remains a concern, despite claims that Caring for our Country was supposed to address issues raised in a number of ANAO reports. The committee notes concerns that monitoring and evaluation under Caring for our Country is very much focused on accountability and that the more complex aspects of evaluation are yet to be addressed.

4.32 NRM projects need to be monitored and evaluated on three levels. On one level projects must meet financial accountability and governance targets. On another level, NRM projects must be able to be evaluated against defined and measurable environmental targets. Finally, data must be collected in a consistent and coordinated manner to enable the evaluation of the longer-term impact of investment in NRM projects.

4.33 The committee is concerned that without an assessment process which ensures that selected projects have defined and measurable environmental targets, effective monitoring and evaluation of projects will be difficult. Similarly, without a consistent approach to the collection of rich data at the local level, longer term evaluation of the effectiveness NRM investment will be impossible.

4.34 The committee notes that there have been some worthwhile initiatives implemented at the state level to monitor NRM projects and to collect a consistent set of data regarding resource conditions. The committee urges the Commonwealth Government to consider the extent to which it could build on such approaches in the development of a national monitoring and evaluation system.

4.35 The committee considers that an important first step towards achieving this would be the instigation of a process of audit of natural resource conditions. The committee considers that such an audit would provide a means of establishing benchmarks against which to monitor and evaluate investment in NRM. The committee believes that this audit process must be appropriately coordinated to ensure that it draws on the resources and expertise of all tiers of government as well as regional NRM bodies. The committee also considers that such an audit process would benefit from the direct input of the Australian National Audit Office and its state and territory counterparts in establishing a set of generic audit criteria.

## **Recommendation 9**

**4.36 The committee recommends that the NRM Ministerial Council convene a working group to develop a framework and generic criteria which would form the basis for an ongoing process of audit of the condition of Australia's natural resources. The development of the framework and criteria must involve close liaison with departments and agencies involved in natural resource management at the Commonwealth, state and territory and local level and Commonwealth, state and territory audit offices.**

4.37 The committee is conscious that at the time that it commenced its inquiry in June 2008, at the beginning of the transition to Caring for our Country, it was difficult for those involved in natural resource management to provide a considered assessment of the impact of the program and the extent to which it represents an improvement on previous programs. Even eighteen months later, it is still difficult for stakeholders to determine this. The early evidence presented to the committee was characterised by anxiety and concern. This position appears to have not changed. The committee is disappointed to observe that, rather than building on the lessons and achievements of the past, Caring for our Country has placed this legacy in grave danger. Where previous programs had successfully mobilised people and resources in all levels of government, private industry and local communities, Caring for our Country has effectively disenfranchised people engaged with NRM. The committee considers that key elements of the Caring for our Country business model must be reviewed and refocussed before the program could be said to deliver a comprehensive national approach to natural resource management.

**Senator Fiona Nash**  
**Chair**





## **Additional Comments by Government Senators**

1.1 Government Senators note the recommendations and make the following comments.

1.2 The Rudd Government designed Caring for our Country in response to criticisms, namely from the Australian National Audit Office, that the funding programs under the previous Government did not clearly demonstrate real, measurable on-ground outcomes. Therefore funding was targeted to tackle serious environmental challenges, such as those faced by the Great Barrier Reef. Were it not for this targeted approach, it would not have been possible to deliver the highly successful and widely welcomed \$200 million Reef Rescue program, for example.

1.3 Witnesses that appeared before the Committee have recognised that the targeted approach under Caring for our Country was a sound policy-response. For example, Mike Berwick, [position] of the Queensland Collective of NRM Groups, said:

“We support the need for national priorities and a targeted outcome. That was clearly a deficiency of the previous program and it is an improvement”<sup>1</sup>.

The Minerals Council of Australia also supported the new approach under Caring for our Country:

“The MCA strongly supports the Commonwealth being more proactively involved in developing and establishing long term strategic approaches to natural resource management, especially natural resource management that is integrated across the landscape.”<sup>2</sup>

1.4 The introduction of certainty of funding for regional NRM bodies has also been praised as a significant positive change introduced by Caring for our Country, as Kate Andrews, Chair of the NT NRM Group, recognised:

“I would like to acknowledge the positives in Caring for our Country. It is fantastic that we have guaranteed minimum funding for regional bodies, it is great that national priorities have been established and the government has been really good at giving us an opportunity to provide feedback on Caring for our Country. It is also good that there has been recognition of the range of players and their needs to assess funds.”

1.5 The opening of up funding to any organisation that wishes to apply through the competitive process was also welcomed by industry:

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1 Mike Berwick, Transcript of hearing, 13 November 2009

2 MCA, Submission

“With improved alignment between government and industry initiatives, there will be increased capacity to deliver on-the-ground outcomes...The acceptance under Caring for our Country that funding is available to any party that can demonstrate nationally significant outcomes is an important first step to developing better integrated approaches.”<sup>3</sup>

1.6 A simpler grants system that combined programs such as Natural Heritage Trust or National Landcare Program has also been seen as a further improvement introduced by Caring for our Country:

“ACF, WWF and HIS were especially pleased to see in the CFOC package announcement the integration of a number of previous programs; the clear identification of priority areas; and the increased focus on national led action and on outcomes”<sup>4</sup>.

1.7 Various other significant improvements were also commended by witnesses and submissions, including the focus on indigenous engagement<sup>5</sup> and designating northern and remote Australia a priority<sup>6</sup>.

1.8 However, whenever there are significant changes to Government grants programs, it is always beneficial to review and improve in light of feedback from the community. Since the release of the 2009-10 Caring for our Country Business Plan, the Department and the Government have consulted extensively with the natural resource management community and other stakeholders such as primary industries to ascertain areas of Caring for our Country that can be improved or strengthened<sup>7</sup>. A number of witnesses during the hearings commended the consultation process and the support of the Departments involved.

1.9 However, the commentary in this report is excessively and unduly critical of Caring for our Country, even to the point of being incorrect. For example, it is incorrect to say that projects that address salinity are not eligible for funding under Caring for our Country. In fact, as Mr Ian Thompson explained during the hearings:

“Salinity can be addressed under Caring for our Country insofar as it impacts on the national priorities, for example, salinity that might be affecting agriculture, wetlands or waterways or rivers or coastal spots.”<sup>8</sup>

1.10 Another example is the statement the report<sup>9</sup> that base level funding to regional NRM bodies “is a source of great uncertainty”. Given Caring for our

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3 MCA Submission

4 WWF Submission

5 Kate Andrews, Transcript of Hearings, 13 November 2009; Submission of Nyoongar Nation (SW Western Australia)

6 Kate Andrews, Transcript of Hearings, 13 November 2009

7 Transcript, Mary Colreavy and Ian Thompson

8 Transcript of Hearings, Ian Thompson, 13 November 2009

Country provided certainty of funding by providing guaranteed funds until 2013, this statement is incorrect and contradicts submissions referred to above.

1.11 The recently released 2010-11 Business Plan has clearly attempted to respond to feedback received. The joint media release by Minister Peter Garrett and Minister Tony Burke states that the application process under the Business Plan had been improved to reduce transaction costs and greater flexibility regarding activities eligible for funding had been introduced as a result of feedback received from the natural resource management community.<sup>10</sup>

1.12 In addition, the report ignores the new Community Action Grants – the \$5 million small grants program under Caring for our Country. These grants are available to community groups who missed out on contestable funding under the Business Plan to enable them to continue to take action to conserve and protect their natural environment. A further round is expected to open in July this year.<sup>11</sup>

1.13 Labor Committee Members generally support the recommendations made in this report but we note that Recommendations 4, 5 and 7 have already been achieved.

**Senator Glenn Sterle**  
**Senator for Western Australia**

**Senator Kerry O'Brien**  
**Senator for Tasmania**

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9 At [1.18]

10 7 January 2010, Joint media release

11 Joint Minister Garrett and Burke media release, 7 January 2010



# **APPENDIX 1**

## **Submissions Received**

### **Submission Number**

### **Submitter**

- |    |   |
|----|---|
| 1  | Mr Rob Ryan   |
| 2  | Southern Otway Landcare Network                       |
| 3  | Ashbourne Landcare                                    |
| 4  | Arawata Landcare Group                                |
| 5  | Woodend and Five Mile Creek Landcare Group            |
| 6  | Yarram Yarram Landcare Network                        |
| 7  | Wonyip (Vic.) Landcare Group                          |
| 8  | Tarwin Landcare Group                                 |
| 9  | Blackwood Basin Group Inc.                            |
| 10 | Wellington Shire Council                              |
| 11 | Mr Bernard Powell                                     |
| 12 | Tasmanian Farmers & Graziers Association              |
| 13 | South Gippsland Landcare Network                      |
| 14 | Winemakers' Federation of Australia                   |
| 15 | Northern Gulf Resource Management Group               |
| 16 | South Coast Natural Resource Management Inc.          |
| 17 | Ms Sarah Moles  |
| 18 | WWF Australia and Humane Society International        |
| 19 | South West Catchments Council Inc.                    |
| 20 | Northern Agricultural Catchments Council              |
| 21 | ACT Natural Resource Management Council               |
| 22 | Bass Coast Landcare Network                           |
| 23 | Peel-Harvey Catchment Council Inc.                    |
| 24 | Victorian Catchment Management Authority Chairs Group |
| 25 | Fitzroy Basin Association Inc.                        |
| 26 | Molonglo Catchment Group Inc                          |
| 27 | Ms Cheryl Hamence                                     |
| 28 | Mr Gary Blaschke OAM                                  |
| 29 | CONFIDENTIAL  |
| 30 | Planning Institute Australia                          |
| 31 | Ms Cathy Trembath                                     |
| 32 | Ricegrowers' Association of Australia Inc.            |
| 33 | East Gippsland Landcare Network Inc.                  |

- 34 Greening Australia
- 35 The Western Australian Farmers Federation Inc.
- 36 Western Australian Local Government Association
- 37 Department of Environment, Water, Heritage and the Arts and Department of  
Agriculture, Fisheries and Forestry
- 38 Institute for Rural Futures
- 39 Minerals Council of Australia
- 40 The Local Government Association of Queensland
- 41 Queensland Regional Natural Resource Management Groups Collective
- 42 Professor David Pannell University of Western Australia
- 43 Professor Jon Altman & Mr Seán Kerins
- 44 National Farmers' Federation
- 45 Murray Catchment Management Authority
- 46 Department of Agriculture and Food Western Australia
- 47 Mr Iestyn Hosking
- 48 Weed Society of South Australia
- 49 Mr Donald Cameron
- 50 CSIRO
- 51 Ms Lynda Newman
- 52 Foundation for Rabbit-free Australia Inc.
- 53 Grains Research and Development Corporation
- 54 Torres Strait Regional Authority
- 55 Department of Environment, Parks, Heritage and the Arts Tasmania
- 56 Kettering Coastcare/Landcare TAS
- 57 South Australian Government
- 58 Namoi Catchment Management Authority
- 59 Tasmanian Landcare Association
- 60 Perth Region NRM
- 61 Southern Beaches Landcare/Coastcare Inc.
- 62 Mt Roland Rivercare Catchment Inc.
- 63 Mr Rod Garlett
- 64 Nyoongar Nation
- 65 Growcom
- 66 Department of Primary Industries and Water, Tasmania
- 67 Queensland Farmers' Federation

## **Additional Information Received**

### **TABLED DOCUMENTS**

- Tabled by Professor Jon Altman, Centre for Aboriginal Economic Policy Research, ANU on 17 October 2008 in Canberra.
  - CAEPR Discussion Paper No. 286/2007, 'The significance of the Indigenous Estate: Natural Resource Management as Economic Development in Remote Australia', JAC Altman, GJ Buchanan & L Larsen;
  - Bawinanga Aboriginal Corporation Annual Report 2003/04;
  - Bawinanga Aboriginal Corporation Annual report 2005/06;
  - Bawinanga Aboriginal Corporation Annual Report 2006/07.
- Tabled by Professor David Brunckhorst on 17 October 2008 in Canberra. Article from Australian Geographer, Vol. 37, No. 2, pp. 147-166, July 2006, 'A Geography of Place: principles and application for defining 'eco-civic' resource governance regions', David Brunckhorst and Ian Reeve, University of New England.
- Tabled by Mr Danny O'Neill, Victorian Catchment Management Authority Chairs Group on 17 October 2008 in Canberra. Conference Handbook – Natural Resources Management Knowledge Conference, Melbourne, Victoria, 14/16 April 2008; CD – Victoria CMA Chair's Group – Selected References.
- Tabled by Ms Belinda Brennan, South Gippsland Landcare Network on 17 October 2008 in Canberra. South Gippsland Landcare Network Strategic Plan 2007-2009.
- Tabled by Queensland Collective of NRM Groups on 13 November 2009 in Canberra.
  - National Landcare Network 'Community Response to Caring for our Country Survey';
  - Implementation of 'Caring for our Country' Impacts at the Regional Level, Centre for Environmental Economics and Policy, University of Western Australia, 11 November 2009, David Pannell and Fay Davidson;
  - 2009-10 Investment Proposal – Queensland Murray-Darling Committee Inc;
  - 2009-10 Investment Proposal – South West Natural Resources Management Ltd;
  - 2009-10 Investment Proposal – Desert Channels Queensland;
  - Northern Gulf Resource Management Group (NGRMG), 'Delivery of the Australian Government's National Resource Management Programs';
  - National NRM Regions Working Group Discussion Paper on CFC, 17 August 2009;
  - Information on Spatial Information Matters – State and Regional Issues;
  - Speaking Notes for Senate Hearing – Friday 13 November, Berwick and Gross.





## **APPENDIX 2**

### **Public Hearings and Witnesses**

#### **10 OCTOBER 2008, PERTH, WA**

- GILES, Mr Kevin Mark,  
Noongar Nation
- HALES, Mr Greg, Program Manager,  
Blackwood Basin Group
- HAYWARD, Mr Kenneth John
- HEINZMAN, Mr Colin, Chairman,  
Perth Region Natural Resource Management Inc
- HILLS, Mr Damien Alan, General Manager,  
South West Catchments Council Inc
- KELLY, Mr Glen, Chief Executive Officer,  
South West Aboriginal Land and Sea Council
- McMILLAN, Mr Andrew John, Director of Policy,  
WA Farmers Federation
- PANNELL, Professor David James
- PARK, Mr Dale, Land Management and Climate Change Portfolio Holder,  
WA Farmers Federation
- SHEPPARD, Ms Jessica Teresa, Natural Resource Management Facilitator,  
Western Australian Local Government Association

#### **17 OCTOBER 2008, CANBERRA, ACT**

- ABEL, Dr Nicholas Orde, Group Leader,  
Sustainable Ecosystems, Commonwealth Scientific and Industrial Research  
Organisation
- ALTMAN, Professor Jon Charles, Director,  
Centre for Aboriginal Economic Policy Research, Australian National  
University
- BERWICK, Mr Michael, Chair,  
Queensland Regional Natural Resource Management Groups Collective

- BRENNAN, Mrs Belinda Joan, Network Coordinator, South Gippsland Landcare Network
- BRUNCKHORST, Professor David John, Director, Institute for Rural Futures, University of New England
- BURNS, Mrs Joan, Chair, Victorian Catchment Management Authority Chairs Group
- COLREAVY, Ms Mary Patricia, Acting First Assistant Secretary, Department of the Environment, Water, Heritage and the Arts
- DRYSDALE, Mr Andrew James, Chief Executive Officer, Queensland Regional Natural Resource Management Groups Collective
- GOWLAND, Ms Kate, Acting Assistant Secretary, Land and Coasts Division, Department of the Environment, Water, Heritage and the Arts
- KERINS, Dr Sean Patrick Research Fellow, Centre for Aboriginal Economic Policy Research, Australian National University
- MCGARRY, Mr Phillip John
- O'NEILL, Mr Danny John, Executive Officer, Victorian Catchment Management Authority Chairs Group
- PETRIE, Mr Malcolm, Policy Adviser, Local Government Association of Queensland
- STONEHAM, Mr Gary Charles, Chief Economist, Victorian Department of Sustainability and Environment
- THOMPSON, Mr Ian, Executive Manager, Australian Government Land and Coasts, Department of Agriculture, Fisheries and Forestry
- WALKER, Dr Daniel, Acting Chief, Sustainable Ecosystems, Commonwealth Scientific and Industrial Research Organisation

**FRIDAY, 13 NOVEMBER 2009, CANBERRA, ACT**

- ALLAN, Mrs Margaret, General Manager,  
Landcare and Sustainable Agriculture, Department of Agriculture, Fisheries  
and Forestry
- ANDREWS, Ms Kathryn Elizabeth, Convenor,  
National Natural Resource Management Regions Working Group; and Chair,  
National Resource Management Board Northern Territory
- BERWICK, Mr Michael, Chair,  
Queensland Collective of Natural Resource Management Groups
- BRADLEY, Mr Alan David, Chief Executive Officer,  
Northern Agricultural Catchments Council
- COLREAVY, Ms Mary, Acting First Assistant Secretary,  
Australian Government Land and Coasts Division, Department of the  
Environment, Water, Heritage and the Arts
- GREIG, Dr Peter John, Chair of the Board,  
Victorian Catchment Management Authorities Chairs Group; and Chair,  
Corangamite Catchment Management Authority
- GROSS, Ms Noeline Margaret, Member,  
Queensland Collective of Natural Resource Management Groups; and General  
Manager, Northern Gulf Resource Management Group
- HALES, Mr Greg, Manager,  
Blackwood Basin Group Inc.
- LAUDER, Ms Michelle, Acting Assistant Secretary,  
Australian Government Land and Coasts Division, Department of the  
Environment, Water, Heritage and the Arts
- THOMPSON, Mr Ian, Executive Manager,  
Sustainable Resource Management, Department of Agriculture, Fisheries and  
Forestry

