JUG Sub. 51

Department of Agriculture and Food
Government of Western Australia

2 April 2008

The Principal Research Officer
Community Development and Justice Standing Committee
Legislative Assembly
Parliament House
PERTH WA 6000

Dear Dr Gordon

Thank-you for your this opportunity to make a submission to the Community Development and Justice Standing Committee's Inquiry into Collaborative Approaches in Government.

The Department of Agriculture and Food is actively engaged in a number of processes to deliver 'joined up' initiatives between government agencies and the community. Please find attached a brief overview of one of these initiatives from our Natural Resource Management (NRM) Directorate outlining their regional NRM delivery model.

Implementing this model was more complex than originally anticipated and a review of progress to date has highlighted strengths, weaknesses and opportunities. The model encouraged community participation in planning and decision-making, which lead to a better understanding of the natural assets valued by the community and their priorities. The model also encouraged regional coordination and co-funding of activities. As a result, it is estimated that for every dollar of public funds spent, around $2 (cash and in-kind) of private funds were leveraged.

The size of regions presented a challenge for effective community engagement and it was found that there was some duplication of administrative functions.

Should you require any further information with regard to this ongoing model please do not hesitate to contact

Yours sincerely

Background

Why is it important?

The maintenance of the natural resource base and the way the natural resource base is managed is fundamental to the long-term economic viability of the State (particularly the agricultural sector), conservation of biodiversity and the wellbeing of current and future populations.

Western Australia's (WA) natural resources support a number of valuable industries that contribute substantially to the State and national economy, including[1] :

- $1.5 billion water supply and waste management industry with assets of $10.6 billion.
- $6 billion agricultural industries;
- $3.6 billion tourism industry;
- $600 million forestry and wood processing industries; and
- $250 million western rock lobster fishery, which is Australia's most valuable fishery.

Effective partnerships in Natural Resource Management (NRM) are required to effectively manage the environment (including natural and physical resources) for all Australians. This includes taking into consideration ecosystems and the characteristics and expectations of relevant communities.

Ecosystem services (the benefits people obtain from ecosystems) influence human well-being through the impacting on[2]:

- Supply of basic materials for life e.g. food, shelter, clothing;
- Health including feeling well and having a healthy physical environment;
- Good social relations including social cohesion, mutual respect and the ability to provide for children;
- Security including access to natural resources and security from natural and human-made disasters; and
- Freedom of choice and action including the opportunity to achieve what an individual values doing and being.

NRM deals with the adverse impacts on land, water, biodiversity and cultural values associated with our use of the land. The structure of government in the NRM field, including the cross-agency mechanisms for management, regulation and collaboration in delivery of key government NRM programs, are considered to provide a good example of how separate agencies with distinct roles and responsibilities can integrate effectively and engage and partner with the community.

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[1] *Western Australia's Contribution to Improving Natural Resource Management through the National Action Plan for Salinity and Water Quality and extension of the Natural Heritage Trust.* A Report to the State Expenditure Review Committee, 12 April 2007.

[2] Chopra K, Leemans R, Kumar P & Simons, H. (Ed.). 2005. *Ecosystems and Human Well-being:Policy Responses, Volume 3.* Findings of the Responses Working Group of the Millennium Ecosystem Assessment. Island Press, Washington.

What are the issues?

Salinity is one of WA's most pressing NRM issues affecting the built environment (roads, railways and buildings) and natural assets (rivers, wetlands and vegetation). Other processes of concern include invasion of weeds and pest animals, acidification of the soil, clearing and degradation of vegetation, and pollution of rivers and wetlands. These issues are exacerbated by increasing pressure from urban, resource and industrial development as well as an uncertain but changing climate regime.

The effect of these impacts either independently or in combination is reduced productivity, loss of ecological services (such as clean water, clean air and a bank of biodiversity), and change in landscape function so that it can no longer support native plants and animals.

Why is NRM so complex?

The complexities of managing for NRM outcomes are exacerbated by the complexities of nature itself – these are interdependent and inherently complex systems starting at the cellular level and moving through organisational layers to the ecosystem. Seasonal conditions (rainfall, wind, evaporation) vary from month to month and year to year, and the patterns of the last 100 years will change again in response to a changed global climate.

Management interventions in these systems are particularly challenging since:

- There are huge variations in regional issues from land salinity in the south-western agricultural area to wind erosion in northern rangeland areas. Similar to other systems there is not a singular 'one size fits all' solution.
- Resource condition issues do not respect political or social boundaries and cause and effect can sometime be geographically remote – land use activities upstream can cause erosion and pollute rivers affecting multiple users downstream. It is often difficult to trace the effect to the source and to eliminate other effects e.g. runoff of sediment into a river is a natural process occurring during heavy rainfall.
- There is often a long lag time between effort and effect. This is sometimes in the order of 30 to 50 years and well outside the usual boundaries of 'project reporting' for government accountability.
- The science and research to predict the most appropriate course of action to improve resource condition is in its infancy in comparison to more traditional fields of study (e.g. medicine, chemistry, engineering). The 'toolbox' is expanding with advances in our understanding provided by long term (20 + year) datasets, remote sensing, and emerging biotechnological fixes (e.g. viruses to reduce pest populations).
- Given the vast geographic areas and the diversity of systems (land, water, vegetation) monitoring and evaluation are expensive and the data often difficult to interpret.
- Whilst it is relatively easy to identify short term gains from 'mining' the resource base (e.g. crop production which may result in soil loss through erosion), we are only beginning to be able to translate the longer term loss of ecosystem function into monetary values. Huge depletions may be experienced before sufficient attention and investment is attracted to address problems.
- There are a range of separate government agencies with regulatory, decision-making, management and service delivery responsibilities across the range of the natural resource base (land, water, biodiversity, marine etc.).

Joined up Government in NRM

NRM is being undertaken on a number of levels, from small scale local community work through to an international fora. At present in WA, the majority of investment is at the regional (or river catchment/s) scale through partnerships with Australian, State and Local Governments, and the regional community.

An overview of the drivers (agreements) and the institutional arrangements is presented here in order to describe mechanisms used to ensure government is integrated effectively in the management and implementation of NRM. The leadership provided by government in the implementation of the regional NRM model provides a useful example of how this occurs.

Note that this model is underpinned by range of relevant legislative controls which are not described here (further information can be provided on request). The regional NRM service delivery model emphasises the use of economic instruments (grants, market interventions), information (extension services) and direct intervention (such as rehabilitation works in conservation areas) to deliver improved NRM outcomes.

International obligations

Australia is represented in a range of regional and international fora that address our international environmental, water, heritage and sustainable development interests. These include but are not restricted to meetings of the Governing Council of the **United Nations Environment Programme**, the **Commission on Sustainable Development**, the **Organisation for Economic Cooperation and Development**, the **Global Environment Facility** and the **South Pacific Regional Environment Programme** and numerous multilateral conventions.

Australia is also signatory to a number of international agreements which address environmental and natural resource management issues including the **Convention on Biological Diversity**, the **Convention to Combat Desertification** and; the **Convention on Migratory Species**.

National commitments

There are a number of national commitments relating to NRM and these include:

- **Australia's Oceans Policy** –provides national coordination and consistency for marine planning and management.
- **Native Vegetation Policy** –works to reduce the decline in our native vegetation.
- **Intergovernmental Agreement on a National Action Plan for Salinity and Water Quality** (NAP) – initiated the process of implementing the NAP.
- **National Action Plan for Salinity and Water Quality Bilateral Agreement** – translates the NAP Intergovernmental Agreement into WA-specific provisions. NAP consisting of $700 million across Australia will run 2000-01 to 20007-08.
- **Natural Heritage Trust Bilateral Agreement** –translates the Trust Extension Framework into WA -specific arrangements for the delivery. The second phase of NHT (NHT2) funding 2002-03 to 2007-08 consists of $1.3 billion for NRM activities across Australia. NHT3 is planned to commence in 2008-09 with potential funding of $2 billion.

There are also a number of national frameworks which relate to environmental reporting, native vegetation management, standards and targets, monitoring and evaluation and capacity building.

National arrangements for integrated NRM

Implementation of these agreements and frameworks at national level are administered under CoAG through a number of formal structures briefly described below.

- **Natural Resource Management Ministerial Council (NRMSC)** – consists of the Australian/State/Territory and New Zealand government ministers responsible for primary industries, natural resources, environment and water policy.
- **Natural Resource Management Standing Committee** – supports the Council in the achievement of its objectives and to develop cooperative and coordinated approaches to matters of concern to the Council.
- **Natural Resource Policies and Programs Committee** and the Marine and Coastal Committee – are the two major advisory committees that underpin the work of the NRMSC. There is also a range of other committees, working groups and task forces that undertake work as necessary and, generally report to Standing Committee through one or other of the advisory committees.

State arrangements for integrated NRM

- **Council for Natural Resource Agency Chief Executives** – assumes collective responsibility for developing and serving the State's NRM framework and planning needs under the direction of the Ministerial NRM Committee. It is composed of the Chief Executives of the following Department of Agriculture and Food; Department of Environment and Conservation; Department of Water; Department of Planning and Infrastructure; Department of Fisheries and the Forest Products Commission.
- **State Natural Resource Management Council** –consists of 12 people with skills and knowledge in the many areas of sustainable NRM, appointed by the WA Minister for Agriculture and Food.
- **Joint State/Commonwealth Steering Committee** (JSC) – is the peak body in WA that provides recommendations to WA and Australian Government on NAP and NHT issues. The JSC also manages funding arrangements, in line with the Bilateral Agreements. Membership of the JSC includes state agencies, and representatives from NRM groups and local government.
- **State Investment Committee** – provides advice to the State NRM Council and the JSC on planning processes and the content of regional plans and investment proposals to optimise distribution of investment between regions.
- **NRM Agency Senior Officers Group** – consists of the Executive Directors (or equivalent) from WA agencies involved in NRM activities. It provides advice to Chief Executives and Government more generally in relation to inter-departmental coordination and strategic policy on issues relating to NRM.

Figure 1 represents a summary of the institutional arrangements in WA.

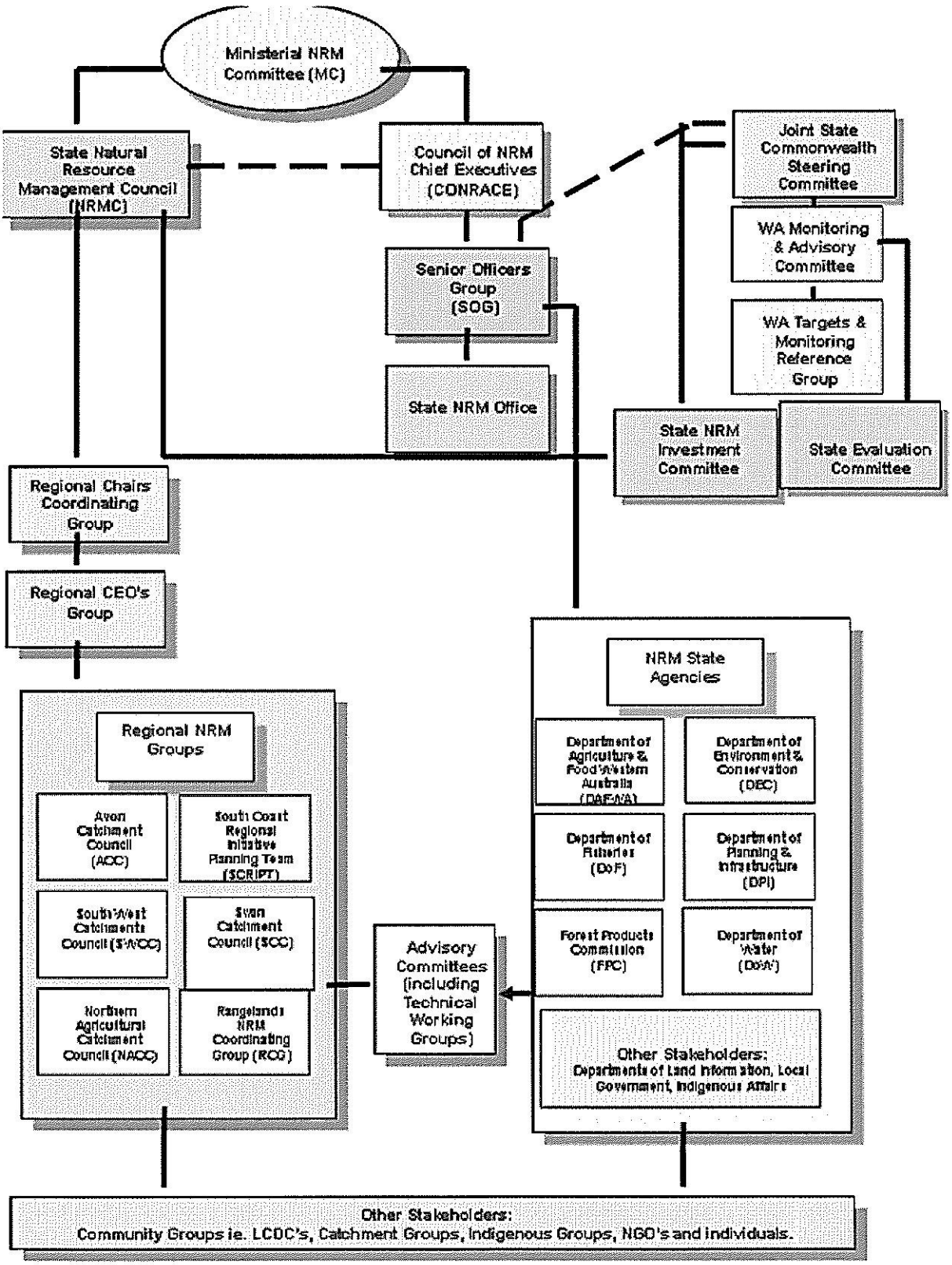

Figure 1: Current institutional arrangements for NRM in WA.

Regional implementation

There are six regional NRM groups in Western Australia which are responsible for the delivery of NAP and NHT programs. Refer to **Figure 2**.

The Groups work in partnership with all tiers of government, regional organisations, industry, landowners, researchers, environmental and community groups. They have been engaged in developing long-term regional strategies and investment (funding) plans in consultation with their regional stakeholders.

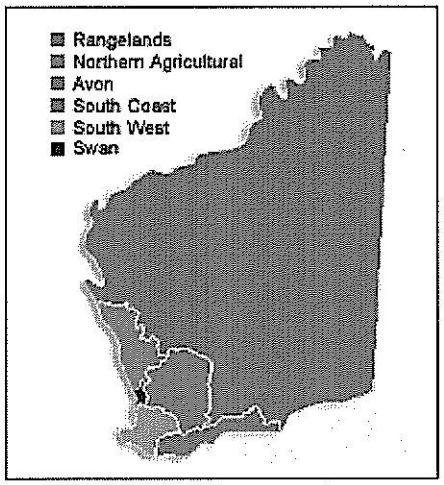

Figure 2: Map showing location of Regional NRM Groups in WA.

The **Regional NRM Chairs Coordinating Group** - comprises the Chairs of the Regional Groups who meet to resolve issues between the groups, provide strategic and operational policy advice to governments and develop business improvement processes.

An analysis – factors that contribute to the success, partial success or failure

NRM is a long-term process (potentially over 200 years) so relatively speaking the regional NRM model is in its infancy. The process is undergoing continuous evaluation and reform to ensure accountability of investment and to improve its implementation. Given the number of participants in NRM, range of levels across government and community, and complexity of issues there are areas where improvements may be implemented.

A summary of these findings is below:

Successes	**Room for improvement** [3]
The NRM structure provides a mechanism to integrate decision-making, government investment and service delivery across a range of separate government agencies, and at different levels. The structure of government contributes to this integration with Cabinet sub-committees for various NRM related matters including climate change, water, NRM and salinity.	Communication and information processes across agencies could be improved.
The regional basis of the model has facilitated understanding and ownership of 'local' NRM issues.	
The need to think in a strategic and integrated (including social, economic and environmental dimensions) way is reinforced by the use of targets. Government agencies being custodians of most of the NRM science in the State can naturally take a lead on this. This change in collective thinking, is beginning to gain momentum.	Prioritisation of effort is difficult, as is the target setting process itself, since there is insufficient scientific information available. Monitoring and evaluation continue to be a challenge. It is difficult to balance the issues of scale and attribution of effort in a cost-effective monitoring program.
There has been a good progress in shared decision-making. This has necessitated better institutional alignment of government processes and capacity building in regional and community groups.	Governance arrangements are inherently complex and challenging due the number and diversity of organisations involved. Lack of capacity and resource issues has meant that some partners and stakeholders are silent or not fully engaged.
The model is necessarily adaptive which allows for innovation and experimentation in approach.	There is still limited information available on what options deliver the best value for money. The conservative approach is to apply 'best practice', in some applications this is an ill defined and under-developed concept.

[3] Drawing on findings from 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.*