

1 July 2003
The Committee Manager
Standing Committee on Natural Resource Management
Parliament House
Macquarie Street
Sydney NSW 2000

Submission to the Standing Committee on Natural Resource Management

INTRODUCTION

During the past 12 years I have managed natural resource management companies and experienced first hand the ineffectiveness of arrangements in NSW for natural resource planning and management, at state, regional and local scales. It is imperative for sustainable development in NSW that there be wholesale changes in the roles of natural resource management bureaucracies and the manner in which they collaborate with industry and local government. It is fundamental to sustainable development that industry and local government are the key drivers to implement (through service delivery) the government's economic, social and environmental policies.

The Government's policy to consolidate local government will provide significant new economic opportunities in regional planning and development. This will facilitate regional growth in population through new enterprise or industry deployments. Importantly, the growth in regional centres will attract professional skills that are required to support regional planning, natural resource management, industry and infrastructure development.

The government's new Department of Infrastructure, Planning and Natural Resources will need to be responsive to these changes, challenges and opportunities that will be spearheaded in the future by industry and local governments, through regional development programs.

KEY ISSUES

The NSW government bureaucracy that now supports natural resource management (NRM) has evolved through the past 30 years into a morass. The bureaucracy is inflated, lacks integration, competes unfairly with industry for service delivery, ignores the authority and responsibility of local governments for NRM and has developed a culture of *command and control* that militates against collaboration and participation by industry and local governments. To a large extent, the NSW NRM agencies have stifled the motivation of local government for NRM, ignored NRM innovations in industry and driven a wedge between community groups and the service delivery capability of local governments and industry.

The current arrangements for policy development, service delivery, compliance evaluation and reporting are dysfunctional. This situation is reflected in the following manner:

- The lack of a whole of government approach and priority allocated to sustainable regional development. This has lead to the lack of local government clustering and regional collaboration in economic and social planning and NRM.
- The lack of integrated roles in agencies for state planning, regional development and resource management. This leads to poor infrastructure development and environmental management. However, the new Department of Infrastructure, Planning and Natural Resources should partly address this issue.
- There is no separation of responsibility (and therefore accountability) between NRM planning and NRM management. For example, the previous Department of Land and Water Conservation (DLWC) would develop policy and regulations and deliver management solutions against these policies and regulations. The Catchment Management Boards became the outsourced management

arm of the DLWC to siphon off both commonwealth and state funds to support its ever-inflating bureaucracy.

- DLWC competed most unfairly with industry to capture a large share of government funds that were allocated for NRM. This included the mapping of natural resources and delivery of Natural Heritage Trust and National Action Plan for Salinity and Water Quality projects. This process over the past 30 years has resulted in DLWC becoming non-responsive to new industry innovations in resource mapping, decision support, evaluation and reporting. Consequently, some agencies see themselves are the sole mechanism for natural resource R&D, innovation and services delivery and consequently dominate the NRM market place.
- Technologically, the NSW NRM agencies are 10-15 years behind industry capability in NRM mapping and assessment. This has occurred because DLWC, NPWS, State Forests, NSW Agriculture and others have failed to effectively collaborate with industry for NRM service delivery, R&D and innovation support. This situation will only be resolved when NRM is devolved to local governments where the accountability is localised, and where industry technology, innovation and service delivery will flourish through fair competition.
- The quality of NRM data in NSW if pathetic, compared with other states. DLWC and other agencies have attempted to assemble the core or fundamental datasets for NRM in an agency-centric manner that bears no relationship to land use sustainability or resource management requirments. Consequently, the state-wide data sets are fragmented, unreliable (the salinity mapping is hopelessly wrong) and unsuitable for NRM. Also, the coverage of NRM data across NSW is poor and largely non-accessible.
- Traditionally, the cost of state owned NRM data have been out of the reach of community groups, industry and local government. It has only been with the insistence of industry and the commonwealth government that NSW agencies have lowered data costs in the past two years. However, this impasse over the past 30 years has seriously damaged the capability of community groups, industry and local government to deliver NRM solutions because their NRM knowledge base was very limited. This is still the situation, particularly for Landcare.

Attached is a background paper that I prepared last year as input to other decision processes for the NSW government, and this paper still serves as a useful basis for understanding the issues raised below.

NEW APPROACHES TO SUSTAINABLE DEVELOPMENT

It is clear that the thrust of new Department of Infrastructure, Planning and Natural Resources should be to achieve sustainable development. This would be measured through an increase in community wellbeing (the link between the economic and social achievements), the community's pride in a sense of place (the link between social and the environment) and ecological sustainable development (the link between economic development and environmental health). The NSW government approaches to achieve sustainable development and NRM are:

- A whole of government approach to resource sustainability (of which natural resource management is a component, but not the whole). This requires deductive (top down) thinking rather than the traditional inductive (bottom up) thinking of scientists and bureaucrats in disparate State agencies. It also requires NRM agencies to take a positive, outcomes focussed approach rather than the negatively driven, problem-solving approach that is characteristic of salinity management in NSW.
- The key role of the state government in NRM is to provide the policy, regulation and funding framework for industry and local governments to implement **sustainable development**. Government policy should therefore acknowledge that responsibility for service delivery of NRM is to be with industry and local government.
- The elevation and promotion of the primacy of regional development boards and local governments in regional planning, development and NRM. State agencies have a secondary role to support these boards, local governments and industry; and not to dominate the process through divisive funds control, complex regulation and competitive service delivery.
- The adoption of state planning as the fundamental base for regional and local planning, development and NRM. The immediate establishment of a state-wide, integrated biophysical and infrastructure

- database is fundamental to the effective involvement of regional boards, local governments and industry. The state's *stock of common good* data should be available to all NRM stakeholders at no cost, or at cost of delivery only.
- The clear definition of (Sustainability) Regions for NSW, as a grouping of local governments based on clustering (amalgamations), collaboration and innovation for sustainable development and NRM. That is, there should be only one regional organisation rather than the conglomerate of different regional organisations or arrangements to manage resources or developments, eg, PlanFirst, Regional Development Boards, Regional Organisations of Councils, Rural Lands Protection Boards, etc are collectively ineffectual in NRM. The Australian Capital Region is a good example of a reasonable working model that is based on strong economic and social links, with a 3 year SoE Reporting program. However, the environmental landscape or catchment boundaries are largely irrelevant for NRM. Natural resource management is a social or behavioural process that requires economic and social context and drivers. Most people find it difficult to relate to a catchment boundary, besides climate, sub-surface hydrology, biodiversity, soils, salinity, vegetation, etc. have no correlation with catchment boundaries.
- The establishment of a NSW Sustainability Fund that is a consolidation of joint Commonwealth and State funding for regional development and NRM. These funds should be channelled through the Regional Development Boards or consortia of local governments to administer. This could include implementation of the Country Town Water and Sewerage projects.
- Local governments should be given the responsibilities for Landcare coordination and other resource
 management services including pest control, fire, park and forest services. Besides, new local
 government amalgamations or clusters will require enlarged incentives, roles and resources in
 regional development and resource management to be relevant and effective. This can only be
 achieved by decentralisation of authority from state agencies.
- The abolition of Catchment Management Boards. These Boards are little more than an outsourced arm of DLWC. While the NSW Salinity Report recommends the inclusion of local government representatives on these Boards, the catchment boundary requirement for committee representation should be removed as catchment boundaries run across the cohesive (economic and social) boundaries of local government clusters. The current committees should be restructured (particularly to include more representation by industry and local government), renamed as regional NRM committees; and report to the Regional Development Boards.
- The outsourcing of the state wide and regional natural resource services to private industry, ie resource mapping and assessment projects. Companies are technologically decades ahead of the state agencies in resource mapping, decision support to local governments, resource monitoring and compliance assessment (audit).
- Allocation of increased resources to collecting the geophysical and biophysical baseline data
 required by local government and industry. For example, there is little geophysical data coverage for
 the coastal zone and tableland areas where the major economic development occurs. The
 geophysical data are essential in mapping soils, salinity and aquifers for locating groundwater bores.

SPECIFIC ISSUES FOR THE TERMS OF REFERENCE

Current disincentives that exist for ecologically sustainable land and water use in NSW.

- NRM agencies attempt to exercise command and control of NRM services delivery using unfair competition with industry.
- Destructive marketing by NRM agencies against new resource mapping and assessment technologies/innovations in industry (ie. turf protection by agencies to protect funding streams).
- High cost of state data for some items, eg. cadastre data, that stifles the proper participation of local governments and industry in NRM actions.
- Command and control tactics by NRM agencies drives an agency culture that dominates and often excludes local government participation, and debases industry capability or innovation in NRM.

- Lack of devolution of NRM to regional development boards or local government, even though the Local Government Act provides the authority and responsibility to local councils for land use planning and management.
- Divisive funding models that excludes local governments and industry in service delivery, R&D and innovation.

Options for removal of such disincentives and any consequence in doing so.

- Devolve NRM to regional development boards or consortia of local government. This will regionalise and localise the accountability of NRM expenditure and outcomes.
- Make all core NRM data (eg. satellite, geophysical and cadastre data, etc.) available to the community at no cost or cost of delivery
- State investment into improving the core data coverage of NSW and improving the data distribution arrangements. The state's holdings or archive of satellite and geophysical data should be readily available to all regional boards and industry. This would also include the provision of a state database/website for recording the location of regional data sets developed by local governments and industry.
- Provision of a State Sustainability Fund that allocates all NRM monies (commonwealth and state) to regional development boards/councils, local governments or industry. This fund would also allocate monies for statewide activities eg. data collection (core NRM data sets), monitoring and reporting of regional and state wide NRM outcomes.

Approaches to land use management on farms that both reduce salinity and mitigate the effects of drought

- Implement a Sustainability Fund that funds landowners to access deep groundwater supplies. There is currently an NRM agency focus on surficial water resource use and a lack of appreciation of the sustainability of deep groundwater resources for remote or rural enterprises and small towns. This initiative would significantly mitigate the effects of drought, improve farm production and productivity; and relieve pressure for areas of NRM on farms. Ready access to sustainable water supplies is the key to sustainability of rural enterprises.
- Implement new salinity mapping technologies developed by Natural Resource Intelligence Pty Ltd (www.resourceintelligence.net/portfolio/salinity) that provides the most accurate regional, local and paddock locations and descriptions of salt pathways. The State government should accept that state salinity maps are highly unreliable and that private companies have far superior technologies for salinity mapping at regional, local and paddock scales.
- Regional mapping of salinity pathways and groundwater resources, along with climate, vegetation, surficial hydrology, terrain and infrastructure are critical to regional development. Local access by landowners to paddock level data sets is critical to the implementation of NRM. This process should be managed by regional development boards/councils.
- Transfer the operations of Landcare, catchment management boards, rural land protection boards, parks management and all other regionally based NRM operations to the regional development boards. There is a need for a single, elected body to management land use management or NRM in a region.

Ways to increase the uptake of such land use practices

- Localise NRM to a regional development board/council that is locally elected and has the authority to dispense funds, yet is tied to yearly, state reporting of NRM outcomes. The board would also be accountable to local constituents for NRM information and knowledge transfer, education, technology R&D and innovation, communications development, etc.
- State to fund specific industry R&D and innovation for NRM where the outcomes are tied to a number of regional NRM initiatives. Institutionalised R&D does not lead to industry innovations in NRM.
- State promotion (showcase) of industry innovations and initiatives in NRM at regional sustainability seminars (conducted yearly and managed by industry associations or the Australian Centre for Sustainability).

• Empower local landholders with the NRM data that they need for resource sustainability. These data should be held by regional or local governments and readily distributed, as requested. Technologically, there is no excuse for all farmers not having a full set of maps for climate, soils, terrain, groundwater resources, surficial hydrology, infrastructure for on-farm NRM or environmental management.

The effectiveness of management systems for ensuring that sustainability measures for the management of natural resources in NSW are achieved.

- NRM must be given to the people who have the motivation and capability to implement NRM, ie. industry and local governments. NRM systems need to evolve from this base, rather than the command and control practices of state agencies.
- If industry is given an enhanced role in NRM then they will have the desire to invest into NRM R&D and innovation.
- If local government is given the lead role in the implementation of state policies and regulations for NRM then they will readily adopt or adapt the systems (locally) to ensure NRM is linked to land use and infrastructure planning. Regionally, such planning and management must go hand in hand, yet be evaluated periodically by the state.
- The primary base for NRM information technologies must be at the regional, local and paddock level. Local capacity building of NRM stakeholders in information management must be at the forefront of state funding.

The impact of water management arrangements on the management of salinity in NSW.

- This connection between water and salinity is totally misunderstood by state agencies because the salinity model of groundwater rising if totally flawed. Salinity is an outcome of soil degradation (due to poor land use practices) that increases lateral water flows in the sub-soil (and decreases deep percolation) that in turn mobilises and concentrates salts in specific pathways, eg. old prior streams and geological faults/ fractures. These increased pathway flows result in greater inputs to accession areas (salinity scalds, etc.) that exceeds the outputs (drainage). Consequently, the best solutions for salinity management are soil health management and drainage of surficial waters from salt accession areas. The current groundwater management approach by NSW agencies for salinity management is therefore ineffective, and unsustainable.
- Most irrigation waters in NSW accentuate salt flows through prior stream pathways, however these
 irrigation areas also have increasing production and productivity rates. Therefore, the solution to salt
 management in these areas is better water use conservation and drainage management, including
 water conditioning/ treatment and recycling to decrease the escapes of surficial waters and improve
 water quality and soil health.
- Overall, there is very little economic evidence that salinity is having a major impact on rural production and productivity. Climate (drought, flood, frost, etc.), plant disease, soil limitations (other than salt), lack of access to groundwater and other essential infrastructure or assets have far greater impacts on rural economies than salinity. Salinity is largely a political and environmentalist's beat-up, underpinned by very poor science and unreliable map data.

CONCLUSION

The NSW community will judge the success of the reforms in sustainable development (including resource planning, regional infrastructure development and NRM) on:

- Simplicity in policy, regulation, compliance and organisation (of functions and resources).
- Empowerment of local government and industry to deliver actions and outcomes in sustainability that includes NRM.
- Increased community wellbeing, *sense of place* and sustainable resource use through increased community and industry participation in NRM actions.

The key priorities for the NSW government are to build sustainable regional economies where:

- Rural enterprises are properly sited to maximise productivity and sustainability.
- There is adequate access to infrastructure, (eg. water, transport and communications facilities).

• There are adequate funds to enable proper community and industry engagement in NRM and regional accountability for expenditure and outcomes from Sustainability Funds.

This change may only be achieved through significant reductions in State agency bureaucracies where duplication of NRM effort and cost shifting are rife.

The key changes required to bring about effective sustainable development in NSW are:

- State government to establish NRM as a program within a State Sustainability Policy and Fund. It is critical for regional NRM to be linked to regional economic and social development programs that are implemented and accounted by regional communities.
- Establish within the State Sustainability Policy and Fund an industry R&D and innovation program, and a yearly series of regional seminars to showcase industry innovations in sustainability.
- States agencies to undertake the development of the sustainability policies, regulations and implement compliance and reporting programs (ie. State wide NRM monitoring and reporting).
- State government to establish single regional boundaries for resource development and management, ie. rationalise the conglomeration of regional boundaries, such as PlanFirst, Regional Development Boards, Regional Organisations of Councils, Catchment Management Boards, Rural Lands Protection Boards, etc. These functions would eventually operate, as required within a single regional body as publicly elected committees (in the same manner as representatives are elected to the RLPB's). This change will require the NSW government to fast track the amalgamation of local governments in to a cohesive, regional, economic and social organisation.
- Regionalise and localise NRM to local governments (ie. withdraw all State NRM offices from regions).
- Provide Regional Development Boards/ Councils with the control of NRM funds (as a component of State Sustainability Funds), ie. rationalise all regional development and NRM committees and allocate their functions to Regional Development Boards/ Councils.
- Build the State's core data set of economic, social, biophysical and infrastructure data for allocation to the community at large (the priority would be for the State to completed the geophysical data coverage and acquire full state coverages of satellite data each year, as a *stock of common good*)
- Require all regions to have full data sets of climate, soils, groundwater hydrology, surficial hydrology, terrain, vegetation, fauna, infrastructure, etc.
- State government to invest into building a region's capability to process core data sets to produce and interpret the information and intelligence necessary to support economic, social and NRM planning and management (ie. GIS and decision support systems).
- Regions to distribute regional, local and paddock level information or data sets to stakeholders (eg. industry and farmers)

I would be interested in providing the Standing Committee with a briefing on these initiatives. I have summarised the above points into a PowerPoint presentation that includes case study examples of regional NRM approaches. In this manner, I could demonstrate the major issues for regional and industry NRM in NSW. My company is particularly concerned about the unreliability of state resource data and the limited coverage of geophysical data in major economic zones of NSW.

I look forward, through my company's services to regional NSW to a clearer and refreshed approach to NRM. Undoubtedly, the amalgamation of local governments and the merger of the infrastructure, planning and resources agencies will facilitate more effective roles of local government and industry, working jointly to support sustainable development in NSW.

Yours sincerely,

Rob Gourlay

Environmental Scientist

Managing Director

ATTACHMENT A: A NEW INITIATIVE FOR PROMOTING SUSTAINABLITY IN NSW

1.1.1 Introduction

The purpose of this paper is to outline a new model to achieve greater value for public monies invested into regional communities for resource management and development purposes in NSW.

There is currently a significant flow of public monies into natural resource management from the National Heritage Trust (NHT) funds and through state agencies (eg. the Department of Land and Water Conservation- DLWC) or their agent: the Catchment Management Boards. While the intent of this funding process is designed to empower local communities with natural resource information and funds, the reality is that local government; rural industries and service delivery companies are largely non-participants in the process. Consequently, opportunities to use the funding process to generate natural resources information for regional development and investment are being lost.

This situation comes about because of a lack of a whole of government approach to regional development and rural sustainability. Consequently, there is a lack of program integration at a grass roots level. While the NSW government is moving toward a regional planning model (primarily to underpin economic development and investment) there remains a disjunct between this planning intent and the processes of funding and implementing resource intelligence for regional planning.

In many respects, the current programs are not producing the fundamental data sets that drive regional development and investment. For example, most regions lack the climate, soil, salinity, hydrology, terrain, land condition, land-use and infrastructure information to make proper assessments of their competitive advantage or sustainability issues. However, each Regional Development Board should have the resources and capacity to develop and use these data sets for sustainable development.

Consequently, there is increasing disquiet among local governments, community and industry groups that the current programs of the commonwealth and state agencies to address natural resource management issues are ineffective. The lack of policy integration, local government direction and industry involvement in these programs are contributing to a decline in the motivation and capability of rural communities rather than arresting the sustainability of the communities.

1.1.2 Why is a New Approach Required?

Past studies on rural investments in NSW have highlighted the following issues:

- Local communities need to be more regionally focussed to better understand their local competitive
 advantage opportunities and the limitations to sustainability. This is because natural resource and
 infrastructure values and process do not conform to local government and catchment boundaries, but
 economic and social clusters of communities.
- Local communities need resource intelligence to enable them to be proactive and insistent on building competitive capability. They need comprehensive and reliable resource information to win investor, industry and state government recognition of the infrastructure and skill needs that are building blocks for private investment.
- Intense and counterproductive competition between local governments, catchment management boards and state agencies for public funds is at the root case of major institutional and private investors being more attracted to city investments where the critical mass of infrastructure and commercial intelligence resides.
- The lack of local government and industry clustering and collaboration in a region is stifling investor recognition of commercial advantages for investment. This situation stifles the development of new innovations in rural industries and the creation of new market niche opportunities. Also, some local governments need to play catch up in terms of understanding and advancing regional development and sustainability. These councils need other local government partners and the support of local champions to sponsor their local growth and competitive advantage that they would not otherwise achieve on their own.

• The lack of political acknowledgment of the *public interest* value in resource intelligence and how such intelligence leads to both resource investment and sustainability outcomes in regional areas. Rural resource intelligence is also critical to sustaining food and water resources supplies to cities. Public investment into resource intelligence in regional areas will be significantly greater for regional areas due the sheer size of the areas and complexity of natural resource process that vary greatly in terms of climate, soils, vegetation, hydrology and terrain across these regions.

In many respects, regional growth and investment have been stymied because most regions do not fully understand their competitive advantage and distinctiveness that arises from a full appreciation of their unique location and natural resource values. This appreciation by local governments will not eventuate while a significant proportion of public funds for resource assessment and management are controlled and manipulated by catchment management boards and state resources agencies.

BASIS FOR A NEW MODEL

My company has implemented an alternative approach to developing regional data sets of natural resource information to support both regional development and sustainability requirements.

This approach is based on the following premise:

- local governments have the primary legislative authority for land use planning, baseline resource
 mapping, decision support to resource development, resource monitoring and environmental
 reporting. They also manage major municipal facilities such as water supply, sewage and waste
 services that are critical to environmental health and sustainability concerns. Local governments are
 also the primary initiators of regional development and investment activities and therefore the major
 users of resource intelligence for planning and management.
- Rural companies and corporations are the key drivers of rural growth and prosperity. They also hold the key to rural investment, employment growth and sustainability. The ability of industry to readily access and use reliable resource intelligence determines their investment decisions and capability to sustain resource use in a profitable and ecologically sustainable manner.
- Resource services companies provide information and solution services to local governments and
 rural industries and are an essential link in the integration and application of intelligence for local
 decision making. This can include liaison to attract enterprise investment or new funding for
 regional development purposes. These companies can provide a business approach to resource use
 and management that meets international standards for environmental management (ie. ISO14000)

The proposed approach essentially involves:

- Linking 3 or 4 local governments as a consortia or region to achieve the *economies of scale* and *critical mass* to develop cost effective data sets of biophysical information that underpins regional development and sustainability. (The ready availability of remotely sensed data from satellites and aircraft, coupled with advanced computing techniques in turning these data into resource intelligence have enabled significant efficiencies to be achieved in deriving resource intelligence over large regions)
- Partnering local governments with local companies and corporations that have a business growth and investment link to the region, to share in the project with a monetary and knowledge contribution.
- Ensuring the project is driven by outcomes linked to regional development and sustainability. That is, attracting new enterprise development opportunities to the region while ensuring all of the necessary biophysical intelligence is available to all stakeholders to achieve sustainability in resource use. This ensures a balance between environmental protection and economic growth and without compromising future resource use opportunities.
- Seeking project fund contributions from local governments, industry and the regional development and natural resource management agencies of state and commonwealth governments, as appropriate.

Priorities in Resource Intelligence Mapping to Stimulate Regional Development and Sustainability

NSW compares badly with other states in terms of public investment into the production of the core data on natural resources, and the access to these data by all stakeholders. The critical areas for immediate public investment are:

- Climate: Climate is the most important factor that controls rural production and productivity, and lifestyle decisions. Any resource assessment for investment or sustainability requires state layers of climate intelligence about temperature, rainfall, evaporation, frost risk, cold air drainage, etc. to determine the suitability of a site for an enterprise, or the impacts of climate on enterprises and lifestyles. These information layers are generally not available from government sources and nor are they factored into resource assessment programs by state agencies. This situation is leading to poor investment decisions and currently attributes to the failure of many rural enterprises.
- Soil Properties: State initiated programs to collect soil landscape data are totally inadequate for rural enterprise site selection, investment assessment and land use management decisions. The use of gamma-ray data has been demonstrated to highly cost effective in producing very reliable soil property maps that are useful for both regional and paddock level assessments. These data also provide the best opportunity to accurately produce salinity hazard and risk maps, and find new supplies of groundwater for rural development. However, only 50% of NSW has gamma-ray coverage and most of the important economic zones lack coverage on the coastal, tablelands and the cropping areas of the western slopes. There is a need to complete this geophysical data coverage to ensure the pressures on development in these key economic areas are adequately addressed for enterprise site selection and resource protection. Also, the state should distribute these data sets to authorised services companies (at the cost of distribution) to promote regional development and sustainability
- Infrastructure: The current condition of public infrastructure intelligence and the ease of access to this information in NSW are very poor. These data generally describe the type and location of public and private infrastructure and are invaluable in assessing rural development or investment opportunities. There is an urgent need for the NSW government to release statewide infrastructure data sets to resource services companies (at a cost of distribution) for use and to provide feedback on the accuracy and gaps in these data. This initiative should include public access to state wide coverage of the contour and optical satellite data that enable resource services companies to assess a wide range of infrastructure, vegetation, hydrology, terrain and land condition attributes for farmers, local governments, and regions. It is more effective and efficient for the state government to acquire optical satellite data sets annually and distribute the data sets to authorised services companies (at the cost of distribution) to promote regional development and sustainability, then expect local governments to acquire the data.

1.1.3 Summary

The NSW government is not getting an acceptable *return on investment* from the allocation and use of natural resource management funds in rural NSW, through resources management agencies and catchment management boards. The process is overly focused on land and water control and protection, fosters duplication and wastage and is not integrated with regional development and sustainability initiatives by rural local governments and industry. The current process is stifling sustainable development by channelling funds into non-productive catchment management activities, and creating information that is either unreliable or unsuitable for regional development and investment decision making.

The key actions required by the NSW to support sustainability are:

- Establish a regional development and investment model based on partnerships between consortia of local governments, rural companies and resource services companies to establish and use the resource intelligence necessary to underpin development and sustainability decisions.
- Provide a high priority to funding the collection and integration of climate, soil property and infrastructure information for the whole of the state. This includes the completion of geophysical data coverage by the Department of Mineral Resources for important economic zones on the coastal strip, tablelands, and western slopes.

• Establishing a new funding process for resource development and management funds (including the Commonwealth's NHT funds). State and regional development programs should manage these funds with policy input from state planning (DUAP) and resource management agencies (ie. DLWC, Agriculture, EPA, Mineral Resources, Resources NSW), etc. This requires consolidation of State funds into a single sustainability program that aims to support regional development.