

**Submission
No 84**

**INQUIRY INTO MANAGEMENT OF PUBLIC LAND IN
NEW SOUTH WALES**

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NSW Irrigators' Council (NSWIC) appreciates the opportunity to make a submission to the Inquiry into the Management of Public Land in NSW. As a large proportion of NSWIC's consistency has been affected by the conversion of land into National Park and the associated management thereof, NSWIC welcomes this inquiry as it allows us to outline some of our concerns with respect to public land management in NSW.

NSWIC believes that there is currently a lack of socio-economic evidence that would suggest any substantive benefits from further converting private and public land into National Parks in NSW. Additionally, NSWIC does not consider the current resources attributed to National Parks to be adequate for an appropriate management.

NSWIC considers it necessary that a thorough review of the management of existing public land is conducted.

Submission

Management of Public Land in New South Wales (Inquiry)

General Purpose Standing Committee No. 5

120727

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Introduction

NSW Irrigators' Council (NSWIC) represents more than 12,000 irrigation farmers across NSW. These irrigators access regulated, unregulated and groundwater systems. Our Members include valley water user associations, food and fibre groups, irrigation corporations and community groups from the rice, cotton, dairy and horticulture industries.

This submission represents the views of the Members of NSWIC with respect to the conversion into, and management of National Parks in New South Wales. However each Member reserves the right to independent policy on issues that directly relate to their areas of operation, or expertise, or any other issues that they may deem relevant.

General Comments

NSWIC appreciates the opportunity to make a submission to the *Inquiry into the Management of Public Land in NSW*. As a large proportion of NSWIC's consistency has been affected by the conversion of land into National Park and the associated management thereof, NSWIC welcomes this inquiry as it allows us to outline some of our concerns with respect to public land management in NSW.

The transformation of land - State Forest, Crown Land and Agricultural Land – into National Parks has been extensive over recent years and will continue to be a policy feature in NSW as the *NSW 2021 Goals*¹ have indicated. According to the Audit Report 2011², 8.83% of NSW is currently set aside for conservational purposes. Given the proposed expansion of the National Park System - the Dharawal National Park, the Wianamatta Regional Park, the Goolawah National Park and Oxley Wild Rivers National Park - it is evident that this figure is likely to increase further in the future. Due to the size and the rapid expansion of National Parks in NSW, NSWIC believes there are legitimate concerns regarding the value of the converted land and its appropriate ongoing management.

NSWIC would like to emphasise that setting aside land and/or water resources for National Parks is only one step in the perpetual obligation made by policy makers on behalf of the community. The decision to dedicate land to National Park Estates is often made without an underlying consideration of ongoing direct and indirect management costs and/or a thorough understanding of the function that these National Parks should perform.

For that purpose, NSWIC suggest that a thorough review of the value and functions of National Parks is conducted together with a systematic evaluation of the required financial resources necessary for an appropriate management of National Parks in NSW. Additionally, current resources for the management of National Parks should be considered and individual's willingness to pay have to be taken into consideration.

Given the information available to us at this stage, NSWIC does not believe that all conversion of land into National Parks Estates has been thoroughly assessed and to the contrary, has caused unnecessary risks and costs for private land and water licence holders in NSW. Additionally, NSWIC would like to voice its concern over the current financial resources made available for the management of existing National Parks as we consider them to be inadequate for the proper management.

¹ NSW 2021 Goals (Premier and Cabinet Cluster) http://2021.nsw.gov.au/sites/default/files/pdf/07_Premier_Cabinet.pdf

² Department of Premier and Cabinet, Audit Report

http://www.audit.nsw.gov.au/ArticleDocuments/226/30_Volume_Six_2011_DPC.pdf.aspx?Embed=Y

1. Specific Comments

1.1. Economic Benefits of National Parks

According to records by DECCW, NSW manages a network of 800 parks and reserves consisting of over 6.76 million hectares of land with the aim of;

..protecting the natural and cultural heritage values of the NSW landscape and providing opportunities for education and public enjoyment of our environment. Parks are an important part of achieving natural and cultural conservation objectives and bring a range of benefits to local communities³. (emphasis added)

Aside from a clear conservational message inherent in this paragraph, NSWIC would like to emphasise that those acclaimed benefits of National Park Estates are often not estimated and certainly not compared to the direct and ongoing costs imposed on local communities. Data on the benefits of National Parks remains scarce and models to evaluate direct and indirect use value are currently incomplete. NSWIC would therefore like to express its concerns over the often acclaimed benefits of National Park which are used as a justification for further expansion of the National Park System in NSW.

It is often claimed that National Parks bring benefits in the form of increased visitor numbers who contribute to the local economy through additional consumption expenditure. Additionally, it is often argued that National Parks will lead to increased employment and thereby assisting local household spending. The suggested outcome is that the revenue that enters the local economy will be redistributed through purchases of local goods and services, residential and commercial construction and other expenditure. Such simplified assumptions on follow on benefits as a result of conservational efforts are rarely conclusive and are unlikely to be applicable to the majority of National Parks in NSW.

1.2. Visitor Numbers

In the opinion of NSWIC, the real and practical expression of support for National Parks can be evaluated through visitor numbers. According the *NSW Environment and Heritage* department, the total number of visitation to NSW National Parks has been 34.6 million last year⁴. Most visitors are Australian and most of them are from within the state. What is furthermore important, visitation are generally highly concentrated geographically – the majority of visits occur in the *Blue Mountains National Park, Ku-ring-gai Chase National Park, Royal National Park, Lane Cove National Park, Kosciusko National Park*.⁵ While these Parks experience high number of visitors per year, it should be remembered that this highly concentrated pattern suggests a lot of unvisited parks in NSW.

³ Management of NSW Park System , <http://www.environment.nsw.gov.au/sop10/index.htm>

⁴ NSW Environment and Heritage <http://www.environment.nsw.gov.au/research/NSWparkspopularity.htm>

⁵ Ibid.

Even aside from total visitor numbers, it would be incorrect to exaggerate the broader economic and social importance of National Park for tourism in NSW. Overall figures suggest that visitation to National Parks rank far below other tourist attractions. Data from the *Bureau of Tourism Research for Tourism NSW* indicated that⁶;

- The Blue Mountains draws about 2% of total NSW tourist time (less than 1% of international visitor time), despite its status as a world heritage site and its close proximity to Sydney.
- The Showy Mountains draw about 1.5% of total NSW tourist time compared to Sydney which draws more than 42% (including 84% of international visitation).

Furthermore, it should be recognised that visits to areas that are in close proximity to National Parks are not only for the purpose of tourism alone, as trips to these areas are often combined with family visits and work commitments.

While NSWIC understands that visitor numbers cannot be the only source to estimate community benefits arising from National Park, those numbers at least indicate a general community support for National Parks in NSW.

1.3. Alternative Use Value

In the NPWS June 2003 financial statements, the value of the Public Land (at 'fair value') was close to \$1.3 billion⁷. Given the land mass in 2003 consisted of 7% of the State that would equate to a value of approximately \$200 per hectare. Should this land have been available for almost any conceivable alternative use, then this value would be several times this figure. Even though the NSW government has made the decision to 'quarantine' National Parks from agricultural, forestry, development and other uses, it would surely be sensible to reveal the value of current National Park Estates in the state, and compare them to some alternative mixed use of these areas.

Such value estimations would indicate the opportunity cost of conservation and would assist in reassessing existing National Parks and the decisions to create new ones. Insofar as the land that was transferred to National Parks was State Forest, many of the environmental values should not be regarded as 'value added' as they already existed in the previous use. In effect, the change into National Park might be no more than a relabeling of land, with the side effect that resource use is banned and a reduced budget for maintenance and access is made available. This leads to the question of what the actual net gain in value is achieved from the conversion of land into National Parks.

1.4. Intangible Value

It appears that intangible values rather than simple land value, drives the creation of more National Parks in NSW. Should this be the main underlying reason for conversion of land into National Park, then it will be important to estimate how much individuals

⁶Jim Hoggett, *The Uses and Value of National Parks: Does more mean worse?*

<http://www.ipa.org.au/library/svn/text-base/IPABackgrounder17-2.pdf.svn-base>

⁷ NSW National Parks & Wildlife service, <http://www.environment.nsw.gov.au/resources/about/annualReport0203Fullreport.pdf>

would be willing to pay for this intrinsic value. NSWIC would like to highlight that the estimation of these values is often difficult and prone to misspecification.

However, given the current funding being made available to National Parks, NSWIC would like to suggest that the willingness to pay for the maintenance and management is relatively low.

The Auditor-General commented in his June 2004 report, that over the past six years, the government had provided only half of the funds sought for management of new reserves, compared to the additional 1.5 million hectares of park created in that period⁸.

Additionally, the tourism industry has expressed its concern about the state of National Park's financing. The *Tourism and Transport Forum* concluded in 2004 that;

*'the findings make it clear that there is a funding crisis for parks and protected areas' and 'most parks have insufficient funds to carry out both natural resource management and visitor infrastructure management simultaneously'*⁹.

Similarly, the *Commonwealth Department of Industry, Tourism and Resources* has asserted that;

*'funding to park management agencies is insufficient to meet all expectations for conservation and visitor infrastructure'*¹⁰.

Given the current NSW budget constraints, it is likely to imagine that fewer rather than more resources will be made available to the increasing National Park size in the future.

*'National Parks appear to be the victim of the same self-defeating process affecting so many State government programmes - a sequence of over-ambitious governments, over-promising to the public and over-committing limited budget resources'*¹¹.

Unfortunately for National Parks, their neglect becomes apparent only when serious fires erupt and/or gradual deterioration of the National Park Estates occur.

1.5. Protection of Threatened Species

It is often claimed that National Parks are established to protect threatened species, preserve habitat and enlarge riparian zones, but the provision of adequate protection zones and the classifications of such, are by and large arbitrary in most instances. NSW has already planned to protect 15% of all ecosystem types while international

⁸ Jim Hoggett, The Uses and Value of National Parks: Does more mean worse?
<http://www.ipa.org.au/library/.svn/text-base/IPABackgrounder17-2.pdf.svn-base>

⁹ Tourism and Transport Forum, A Natural Partnership 2002

¹⁰ Department of Industry Tourism and Resources, "Pursuing Common Goals - Opportunities for Conservation and Tourism 2003.

¹¹ Jim Hoggett, The Uses and Value of National Parks: Does more mean worse?
<http://www.ipa.org.au/library/.svn/text-base/IPABackgrounder17-2.pdf.svn-base>

agreements prescribe only 10%¹². To avoid oversubscription of land to National Parks it is important to consider when an adequate land size has been reached. This is always difficult when faced with the next pressing case for conservation of yet another threatened area/species. Given the already low levels of resources to existing protected areas, it seems that we place a limit on the value of more National Parks which weakens the case for further expansion.

Furthermore, the array of legislation enacted over recent years designed specifically to protect native vegetation, threatened and endangered fauna and flora, riparian zones has tended to transform private land into quasi-parks and has forced private landowners to fund public environmental objectives.

1.6. International Comparison

Australia has a relative large National Park area when compared to other OECD countries¹³. Furthermore, data indicates that Australia also has a large area dedicated to wetland reservation and the protection of species under threat. This not only reinforces the case that we have sufficient protected area but that we are far from being the environmental vandals we are often portrayed to be.

1.7. Quantity vs. Quality

What we have done so far in NSW is to increase the quantity of protected area. The focus however should not be on quantity but on quality. This will require a lot more thought and effort than simply setting aside further land for the creation of new National Parks.

Question about the size and management of National Parks are inevitably intertwined with the broader issue of conservation in NSW. The creation of new National Parks is the clearest expression of conservation policy - the appropriation and quarantining of areas of NSW to preserve them. Equally important is the large and growing body of regulation designed to effect conservation on private land. The push to conserve necessarily immobilises more productive resource use. And the push for immobilisation mainly comes from those who do not make their living from the land and water resources that are being locked away.

The strategy seems to have been 'more park is better' and 'do less within them'. This approach is incompatible with sensible land management on either public or private land.

1.8. Complementary Use

It is clear that National Parks need more resources applied to do the basic environmental and recreational tasks that they designed to perform plus the enhanced and expanded duties often imposed on them. Aside from considerations of how well National Parks

¹² Jim Hoggett, The Uses and Value of National Parks: Does more mean worse?
<http://www.ipa.org.au/library/svn/text-base/IPABackgrounder17-2.pdf.svn-base>

¹³ Ibid.

currently perform this job, we have reached a stage where we need to rethink the appropriate use of National Parks. Instead of expanding the area, we should make better use of the National Parks we have. Any complementary use - be it eco tourism, resource use, selective forest operations, hunting or grazing – would certainly enhance the benefit and value of the current National Park System in NSW.

1.9. Economic Costs of National Parks

While data on benefits of National Parks remains scarce, there is more data available on the cost side. It is however disappointing that very little attention has yet been paid to the economic cost of conservation planning, even though planning invariably involves both - costs and benefits. Understanding costs - including land prices, management costs and opportunity costs are crucial to allocate scarce financial resources most efficiently. The cost component with respect to National Parks can, in the opinion of NSWIC, be subdivided into three categories; recurrent management costs, system wide expenses and costs of bringing new areas into the system. Recurrent management costs include operations, site-level administration, or recurrent compensation costs that are a direct responsibility of the National Park. Factors that influence these costs include management objectives, accessibility and size. System wide expenses of a National Park include national and regional administration, new site selection, budgeting and other activities necessary to support the network. Establishment costs may include both designation costs and up-front purchases, construction and planning. These costs will vary according to the side under consideration.

The scarcity of financial resources makes it increasingly important to consider all these information thoroughly. Despite advances in estimating costs and benefits, explicit economic analysis on National Parks - individual and aggregate- has unfortunately not yet been undertaken.

What we do know is the following¹⁴;

- 900km of the NSW coast is infested with bitou bush – a 30% increase since 1981.
- The 2002 report by English and Chapple on management of feral animals in parks noted that ‘feral animals remain abundant’ and that ‘the enormity of the task faced by the NWPOS must be acknowledged.
- One-quarter of the parks in NSW burned in the 2002 – 2003 fire seasons. The limited fire-fighting resources were concentrated on saving life and property.
- The NSW Auditor – General referred to a substantial and growing deferred maintenance liability in the parks and noted the backlog in preparation of park management plans.
- Allocation of resources seems to be skewed. In 2002-2003, 23% was allocated to assessment and planning, 33% to management and 44% to facilitation.

¹⁴ Jim Hoggett, The Uses and Value of National Parks: Does more mean worse?
<http://www.ipa.org.au/library/.svn/text-base/IPABackgrounder17-2.pdf.svn-base>

A concrete example¹⁵ of the effect of NSW Government conservation efforts is the Pilliga State forest. The Pilliga forest had a viable, sustainable timber industry based mainly on the extraction of cypress pine for use as a building material. The conservational efforts by the NSW government has scaled back substantially the timber industry and thereby increased pressure on other related industries.

A further example¹⁶ is the pressure to limit, and ultimately ban, the gathering of firewood in National Parks in NSW. The NSW National Parks Association has estimated that the gathering makes up approximately one million tonnes per year. The use of firewood is miniscule and highly efficient in terms of extraction and distribution costs. One million tonnes is insignificant to the amount that burns in regular bushfires. Furthermore, the gathering of wood could possibly prevent the spread and speed of bushfires in the first instance.

Unfortunately, there is no attempt to measure, or account for, the economic cost of National Park Estates. It should be remembered that National Parks are not free good. They confer benefits and incur direct and indirect costs. There is no reason why we should not examine ways to increase the former and reduce the latter.

¹⁵ Jim Hoggett, The Uses and Value of National Parks: Does more mean worse?
<http://www.ipa.org.au/library/svn/text-base/IPABackgrounder17-2.pdf.svn-base>

¹⁶ Ibid.

2. Additional comments

2.1. Conversion

- During conversion of land into National Park Estates, NSWIC is concerned that the process of construction could have a negative impact on the quality of surface and groundwater resources in close proximity to the dedicated construction site. Should any of the construction activities lead to a contamination of water resources in the state, NSWIC would not support its conversion under the circumstances.
- NSWIC is concerned that the conversion process could lead to excessive environmental flows that could lead to flooding of adjacent land holder properties. The associated clean up costs and operational restrictions could be extensive. Should no mechanisms be in place that either prevent or mitigate these damages, NSWIC regards this as an unnecessary third party risk.

2.2. After conversion

- In terms of irrigated agricultural production, NSWIC is concerned that the establishment of a National Park could have a direct impact on the value of productive agricultural land in surrounding areas due to the risk of ferrel animals and other pests spreading. Associated with this argument, should there be an expansion of ferrel animals and other pests in the areas adjacent to a National Park, then this will lead to increased operational costs of landholders.

Conclusion:

NSWIC has outlined its concern over the current conversion efforts and management strategies for National Parks in NSW.

It seems the attitude has been 'lock away land first' and 'think about the full implications later'. NSWIC believe it is time to modify this attitude and thoroughly consider all the costs and benefits associated with the establishment and management of National Parks.

NSWIC believes that there is currently a lack of socio-economic evidence that would suggest any substantive benefits from further converting private and public land into National Parks in NSW. Additional, NSWIC does not consider the current resources attributed to National Parks to be adequate for an appropriate management.

The solution however does not lie in a substantial increase in financial resources for National Parks and much less in further increase in Park size. While there might be certain cases where additional resources will be sufficient for better management of

National Parks, NSWIC considers it important that the underlying priorities for the conservational efforts in NSW are rethought.

The purist vision that National Parks should be primarily undisturbed natural systems will have to be abandoned and replaced with a more practical and sensible management strategy that will lead to a sustainable future of National Park system in NSW and ultimately benefit everyone in the state.

END SUBMISSION.