



SUBMISSION FROM: RESEARCH AUSTRALASIA (MANAGER OF NAEDF ON-LINE)

TO: THE NORTHERN AUSTRALIA LAND AND WATER TASKFORCE

RESPONSE TO THE QUESTIONS

Three questions will be addressed:

1. New opportunities for development in the north, based on sustainable water use (including non-consumptive uses);
2. The potential impacts of new developments
3. New governance and institutional arrangements for the effective management of water resources.

The findings of the North Australia Economic Development Forum 2008 are relevant to these questions and the data below (in Times New Roman font) has been extracted from the Record of Proceedings and Outcomes of the Forum, copy of which along with papers and the final report can be downloaded from the NAEDF Online website <http://naedf.com/> .

1. NEW OPPORTUNITIES FOR DEVELOPMENT IN THE NORTH

INDUSTRIES IN TROPICAL AUSTRALIA IN 2008 PREDICTED FUTURE (20-50 years)

Agribusiness: Food and fibre opportunities will increase with a global food shortage predicted and the major population centres to the north. Degree and sustainability will be largely dependent on infrastructure, water and a 'totally renovated' regulatory environment. The north has an abundant water supply which must be used judiciously. The greatest potential in for example the Gulf region is in development of niche crops in arable pockets which therefore has the potential for effective and sustainable management (see Gilbert River Irrigation Area Investment Report April 2009, Gulf Savannah Development).

It is essential to conserve and above all not alienate arable lands across the north through restrictive water and land management policies and regulations.

Tropical Living sectors (including Building and Construction): seen as a growth sector for the northern economy. Appropriate urban and rural planning and design will reduce water and energy consumption.

Mining: while a resource asset for Australia generally, the benefits flow more to national and overseas HQ's and state governments than into the region in which the resource is located. In order to develop northern Australia this disparity must be addressed. The mining sector has great potential for new technologies and development and transfer of knowledge.

Tourism: Tourism Important but new products will need to be developed to meet emerging demands. Sustainable tourism, eco tourism learning and meaningful experiences will need to be developed.



There is a growing desire to experience the ‘real thing’ which will see travellers getting off the beaten track and require management strategies.

Energy: The search for renewable energy sources is projected to grow quickly. A lot of diverse opportunities are predicted for North Australia including solar, wind, tidal/river flow, bagasse, ethanol etc

Tropical health and tropical environment: a strong growth sector; predicted to grow strongly with the population growth in the Tropical world

It is considered that over the next 20+ years the nature and structure of industries in tropical Australia will change dramatically. Indeed it is predicted that the smaller sectors today will become the bigger sectors of tomorrow. New technologies and knowledge developed from within the traditional sectors will help fuel future growth in north Australia. There will most likely be new sectors emerging.

It was the general consensus of the Forum that before the large scale changes to industry structure and future development can take place there is an absolute prerequisite for supporting infrastructure, including water supply, to be put in place. Investment by the private sector will in large part be contingent upon government investment in necessary infrastructure. Infrastructure planning must be proactive for this changing landscape and it must be properly funded and resourced. Access to broadband is seen as a very high priority for future development in the north.

The volume of water in northern Australia can be expected to attract a wide range of businesses. This and the impacts of climate change need to be managed. One suggestion was to establish regional Tropical Knowledge Centres and Tropical Knowledge hubs in smaller localities across the north of Australia using existing networks.

The Forum considered it essential to tap into local knowledge for the development of policies and strategies to manage future development of the northern assets.

2. POTENTIAL IMPACTS OF NEW DEVELOPMENTS

The Forum looked at the business and industry opportunities that could arise from environmentally sustainable development across northern Australia, listed the needs to ensure sustainability, identified the current constraints and detailed the necessary actions to enable environmentally sustainable development.

While not dealing with specific impacts of developments, the commentary is relevant to question 2 and some comments referring to governance issues are relevant to question 3.

CARBON TRADING AND BUSINESS CONSERVATION OPPORTUNITIES IN NORTHERN AUSTRALIA

Opportunities



- Climate change and radical de-carbonisation of the economy are seen as a drivers rather than a threats
- Ecological systems of northern Australia are “somewhat” intact with land and water assets interconnected unlike southern areas of the continent, providing an opportunity to ‘get it right’
- A major opportunity is seen as an holistic ecosystem management structure based on tropical science
- Northern Australia has a huge opportunity to develop Tropical knowledge and expertise and export these to other places
- New “agents” are growing (e.g. Townsville Carbon Exchange and TSV Carbon Association) to facilitate opportunities for landowners and other businesses

Needs

- Develop an overarching plan and a statement of strategic intent for Northern Australia and its (bio-)regions - in terms of governance this will need to be achieved from a mix of bottom-up / top-down negotiations; genuine engagement, partnerships, and local ownership
- Building connections & networks across government, industry and community; here it is essential to leverage E-communication technologies/systems to overcome distance and provide connectivity
- Develop a global tropical knowledge “bank” and strategic research frameworks – Note: the newly formed TropLinks Incorporated body will be the vehicle for this (see news item at <http://naedf.com/>)
- Above all there needs to be a government commitment for adequate resourcing: investment in network clusters with incentives for implementation (taxation, rates, etc); remove adverse incentives

Constraints: the current constraints are seen as:

- Fragmented research
- Prevailing parochialism
- Current governance structures; the way federalism is not working for North Australia
- Level of investment required to effect changes of sufficient magnitude
- Issues surrounding IP
- Lack of leadership facilitators

Actions

- Co-ordinate strategic intelligence, vision for the future in 5, 10, 20 + years time (identify opportunities, potential collaborators and competitors)
- Define strategic intent; identify and develop markets (leverage existing players)
- Grow network clusters of learning and research; including universities and business (**see TropLinks**)
- Use knowledge economy tools to collaborate and share learnings (e.g. WIKI; search engine technologies)
- Summit for appropriate governance to manage northern development

Example: Carbon

- Intent: Sequestration
 - Immediately: soil carbon sequestration; ecosystem management (land clearing; fire, etc); renewable energies



- Short-medium term: low-tillage farming; production of 2nd and 3rd generation bio-fuels; renewable energies
- Medium-long term: trees and other suitable agri-products; bio-regional food production systems
- Education; business models
- Change in government policy and institutional rules (cap; trading rules—e.g. allow carbon credits generated in Australia [Green Paper])

Specific Actions Recommended by the Forum

- Governments to fund series of workshops of network clusters e.g. around carbon sequestration and ecosystem management, renewable energies & bio-fuels
- Align business with funding opportunities, e.g. AusIndustry grants (GREENSMART)
- Investment in appropriate collaborative models (some CRCs e.g. Desert Knowledge; Beef—industry collaboration essential)
- Establish market feasibility; domestic and international
- Establish market feasibility; domestic and international noting that Northern Australia is comprised of one of the World's largest collection of intact and diverse tropical ecosystems.
- Economic development of the North should be largely based on an alternative economy founded on payment for ecosystem (including cultural) services providing, for example economic opportunities for traditional owners and existing industries, such as mining, grazing and tourism.
- Recommend that a workshop be convened in early 2009 to consider current knowledge and knowledge gaps in the identification, evaluation, measurement and funding of ecosystem services that might apply to Northern Australia--ecosystem services are bigger than carbon, as they encapsulate water and biodiversity as well.

3. NEW GOVERNANCE AND INSTITUTIONAL ARRANGEMENTS FOR THE EFFECTIVE MANAGEMENT OF WATER RESOURCES.

A number of comments were made by Forum delegates of relevance to this question, with a keynote address from the Hon Fred Chaney on the 'failed state' of remote Australia. In essence the view of the Forum was that there needed to be effective governance of remote Australia rather than treating it as a collection of state and territory backyards and reflecting national neglect.

REGIONAL GOVERNANCE

Regionalisation and rationalisation of decision-making

There must be greater local and regional representation and participation in determination of priorities and policies relating to northern Australia. Both state and federal policies and programs are often developed with little cognisance of local issues, with a 'one size fits all' approach. A region's vision for the future and importantly a capacity to deliver must be taken into account. This touches upon



issues of regional leadership and community capacity – a need to build local communities rather than imposing solutions and management systems from central bureaucracies. The RemoteFOCUS Prospectus – revitalising remote Australia (www.desertknowledge.com.au/) very clearly describes the alienation and marginalisation of remote Australia. There has been a breakdown in communication between the regional communities and central governments. North Australian centres such as Townsville, Darwin, Kununurra, Cairns and Broome have more in common with each other than with Brisbane, Perth or Canberra – and yet it is in those power centres where the major policy and economic decisions impacting the north are made.

Northern Australia will continue to press for greater **subsidiarity**¹, whereby expenditure delivery and policy decisions are made at the level closest to where the people are – regional and local decision making. As a part of this shift, the need to review legislation that impacts on the north and a rationalisation of it will arise. The threats to greater subsidiarity are entrenched centralist governments and a bureaucracy with a vested interest in maintaining the status quo.

Reduction of Regulation:

Many of the statutes and regulations pertinent to southern Australia are difficult to apply to the northern landscapes and settlements; in fact application can be a hindrance to developing the capacity of the north as an asset for the nation. There needs to be an assessment and overhaul of regulations to demonstrate the benefits in relation to economic development, innovation, investment and cost reduction in administration.

Sustainable Land Development

This will require:

- Mapping out property and water management plans on a regional basis and establishing criteria to best evaluate use of land on triple bottom line done by local people. This is essential to ensure viability of primary producers and to provide greater certainty for investment in land.
- Resolution of Native Title – streamline processes, resolve uncertainty, improve/amend legislation
- Instituting whole-of-mine-life Environmental, Social and Economic Impact Assessments, and in particular to ensure appropriate community consultation.

In the above the NRM and CRC bodies and local government have a pivotal role to play.

CLOSING COMMENT

I must express concern at the short time-frame allowed for the consultation and the lack of opportunities for northern communities to access the Taskforce. To place it in context, the water resources strategic plan for the

¹ See Prof Rolf Gerritsen, “The Dual Economy”, NAEDF 2008 at <http://naedf.com/>



Gulf region, undertaken a couple of years ago by the Queensland Government, took around 18 months to reach the first draft.

It will be difficult for the Taskforce to arrive at an informed cognisance of the challenges, opportunities and priorities expressed by a range of interest groups, including community, industry, scientific, environmental, in the short time provided to the Taskforce; and I feel this threatens the credibility of the outcomes. Of real concern is the fact that the findings will inform Government for the development of water policies and priorities for northern Australia.

It is a further example of the centralised decision making which is undermining good governance across the north.

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12 September 2009

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