

CHAPTER 15: HEALTHY ENVIRONMENT

Key findings of the Committee:

- 15.1** Climate change is likely to have a direct long-term effect on agricultural production and the productivity of livestock industries, nature-resource based tourism and water supply infrastructure requirements.
- 15.2** The 2008-09 Budget identified \$202.8 million to be spent over six years to develop and demonstrate specific energy technologies that aim to reduce Victoria's carbon footprint. The Committee noted that 75.3 per cent of this investment is scheduled to fall outside the four year forward estimates period and it has recommended that where this happens, a more detailed explanation should be provided.
- 15.3** Subsequent to the 2007-08 Budget, the government announced a \$4.9 billion investment to secure water supplies for the State. While a significant proportion of this investment will be met by customer charges, the 2007-08 Budget update and the 2008-09 Budget provide \$864 million in government funding for these programs.
- 15.4** The Committee has made recommendations to enhance accountability via improved budget paper reporting of significant water projects.
- 15.5** The 2008-09 Budget also provides:
- \$51.8 million to assist regional and rural communities and low income families and households to deal with the impacts of climate change;
 - \$20.5 million investment in climate change planning and research; and
 - \$121 million to preserve the State's natural resources.
- 15.6** As at June 2008, the present value cost of the Channel Deepening Project is anticipated to be \$754.1 million, excluding sunk costs. The base-line benefit-cost ratio is estimated at 2.7.
- 15.7** The two revisions in February 2007 and June 2008 were necessitated to update changed assumptions to the 2004 study.
- 15.8** The State Government has committed \$150.0 million in the 2008-09 Budget (funds were allocated in 2007-08) to enable port users to harness the full effects and benefits of the channel deepening project.
- 15.9** Aside from the \$150 million State Government contribution, the Port of Melbourne Corporation will meet the net costs associated with the project. These costs will be recovered over time under a user pays system that will be applied to all vessels that enter Port Phillip Heads with a draught exceeding the port's existing 12.1 metres.

- 15.10** The Port of Melbourne Corporation, the Victorian Government and the Federal Government successfully defended two court actions relating to the Channel Deepening Project in January and February 2008. The costs of the legal services incurred by the Port of Melbourne Corporation and the Victorian Government will be met by those organisations under a cost sharing agreement. The Committee has recommended that these costs be reported to Parliament in full.
- 15.11** Since 2003-04, the Government has invested a total of \$77.9 million to preserve Victoria's native flora and fauna and reduce the damage caused by weeds and pests to farms and the natural environment.
- 15.12** The 2008-09 Budget identified \$205 million in funding to support the delivery of the Future Farming Strategy, with \$20 million allocated over four years to tackle invasive weeds and pests in the state.
- 15.13** While the main responsibility for weed and pest control in Victoria is divided between the Department of Primary Industries and the Department of Sustainability and Environment, there are a number of other agencies, such as local government and catchment management authorities, that play important roles. The Committee believes that the responsible department should clearly identify the roles and responsibilities of all agencies and departments.

15.1 Introduction

In considering the budget estimates, the Committee asked a total of 54 questions pertaining to the *Healthy Environment* vision of the *Growing Victoria Together* initiative. This represented 10.7 per cent of all questions asked in the budget estimates hearings.

The answers provided at the estimates hearings were recorded in Hansard and the transcripts of evidence were contained in Appendix 1 of the *Report on the 2008-09 Budget Estimates – Part One* and in Appendix 1 of the *Report on the 2008-09 Budget Estimates – Part Two*.

This chapter sets out an analysis of several key issues canvassed by the Committee at the budget estimates hearings relating to the *Healthy Environment* vision of *Growing Victoria Together*.

15.2 The impact of Climate Change on the formulation of the budget

A CSIRO report released in early 2008 indicated that Australia is one of the many global regions experiencing significant climate change as a result of global emissions of greenhouse gases from human activities. The report indicated that where the average surface air temperature of Australia increased by 0.7 °C over the past century, even if all greenhouse gas emissions ceased today, the Earth would still be committed to an additional warming of 0.2 – 1.0 °C by the end of the century.²⁸⁵

²⁸⁵ Australian Climate Change Science Programme, *Climate Change in Australia – Observed Changes and Projections*, October 2007.

The Garnaut Climate Change Review, commissioned by Australia's Commonwealth, state and territory governments to examine the impacts, challenges and opportunities of climate change for Australia released a Draft Report on 4 July 2008. This report indicated that climate change is likely to have a direct long-term effect on agricultural production and the productivity of livestock industries, nature-resource based tourism and water supply infrastructure requirements.²⁸⁶

The 2008-09 Budget identified that climate change is of critical importance to the future of Victoria as a liveable, productive and sustainable place. It outlined targets set by the government to reduce greenhouse gas emissions, both within the public sector and across the state as a whole, and established five key areas of action to tackle climate change, specifically:²⁸⁷

- positioning Victoria as a leader in new energy technologies;
- reducing greenhouse gas emissions from households;
- adapting to climate change;
- securing our water supplies; and
- preserving our natural resources.

The following sections will look at each of these actions, while the impact of climate change on regional Victoria is discussed in more detail in chapter eight.

15.2.1 Positioning Victoria as a leader in new energy technologies

More than ten per cent of Australia's greenhouse gas emissions arise from the use of brown coal for electricity generation in Victoria. It is estimated that in Victoria, greenhouse gases arising from the use of brown coal are equivalent to the greenhouse gases produced by all other sources in the state combined. Brown coal is used to produce around 85.0 per cent of the electricity used by Victoria each year and the low-cost electricity produced using brown coal is a major component of Victoria's competitive advantage.²⁸⁸

The Government's *Energy Technology Innovation Strategy* was established in 2005 to develop over time a sustainable energy sector, and to drive improvements in energy efficiency and facilitate investment in sustainable energy supply sources to support the continuing competitiveness of Victoria's industrial base.

In light of the government's target to reduce greenhouse gas emissions in Victoria by 60.0 per cent of the levels in the year 2000 by 2050, the 2008-09 Budget identified \$202.8 million to develop and demonstrate specific energy technologies that aim to reduce Victoria's carbon footprint. The bulk of this funding (\$182.0 million) was allocated to the *Energy Technology Innovation Strategy*.

²⁸⁶ Commonwealth of Australia, Garnaut Climate Change Review Draft Report, June 2008, Chapter 7

²⁸⁷ Department of Treasury and Finance, Victorian Budget Overview – Taking action for our suburbs and regions, pp.30-31.

²⁸⁸ Department of Primary Industries, sighted at www.dpi.vic.gov.au on 25 August 2008.

The 2008-09 Budget commits the government to a further \$58.1 million which focuses on providing assistance to regional and rural communities (\$33 million) and to low income families and households (\$20.1 million). Projects include:²⁹²

- \$33 million over four years, commencing in 2007-08, for solar hot water rebates for residents in regional and rural areas of up to \$2,500 for the installation of a solar hot water unit. Funding is also provided for training and on-going professional development for 1,400 plumbers and an e-Learning program to provide on-going professional development to assist with installations;
- \$12 million over five years for the Home Wise Program (formerly the Capital Grant Scheme), which assists households in hardship to repair or replace an essential appliance, fixture or fitting. The additional funding will permit applicants to seek assistance twice within a 10 year period and enable large families with a concession card to offset the cost of installing ceiling insulation; and
- \$4.1 million over two years for an extension of the low income home retrofit program for low income households and social homes.

The budget also provides a further \$5 million to continue the Black Balloons campaign to raise public awareness of climate change issues. These investments relate to:²⁹³

- the Department of Sustainability and Environment's Environmental Policy and Climate Change output; and
- the Department of Human Services' Energy, Water and Municipal Rates Concessions output.

The Committee is encouraged to note the ongoing recognition in recent budgets of the hardships placed on communities by climate change and drought-related concerns. It would encourage the government to continue to examine the impacts of achieving carbon emission targets on communities and to act on their findings to provide ongoing support to these groups (see also chapter 10 on concessions).

15.2.3 Adapting to Climate Change

At the same time as taking actions to minimise the future impact of climate change, the government has acknowledged that we must prepare to live in a changed climate. This may involve adjusting behaviour, infrastructure and the design and delivery of social services to best manage and prepare our natural assets to lessen the impacts of climate change.²⁹⁴

²⁹² Department of Treasury and Finance, Budget Paper No.3 Service Delivery, p.29

²⁹³ *ibid.*, p.297.

²⁹⁴ Department of Sustainability and Environment, Sighted at www.climatechange.vic.gov.au on 25 August 2008.

Since the release of the 2007-08 Budget, the Victorian government has taken a number of steps to ensure that it has the required knowledge and understanding of the specific risks posed by climate change to the state, to enable it to take effective and timely action to address these risks, specifically:²⁹⁵

- *Future Coasts*, August 2007 - A project to assess the vulnerability of Victoria's coastal zones to climate change;
- Memorandum of Understanding with the Clinton Foundation, April 2008 - The Victorian Government and the US-based William J. Clinton Foundation signed a landmark agreement to investigate further opportunities for large-scale clean energy projects and new vehicle technologies including hybrid buses and energy efficient street lighting; and
- Climate Change Summit, April 2008 - Victoria's climate change summit called together 100 delegates from a broad cross section of the Victorian community to share their views on climate change. After the summit, a discussion paper was released for community consultation that will feed into the *Land and Biodiversity at a Time of Climate Change Green Paper*, to be released later this year.

The 2008-09 Budget identified a further \$20.5 million investment in climate change planning and research, including \$9.9 million to enhance effect modelling in *Future Coasts*, \$5 million to establish a Climate Change Adaptation Centre, \$2.0 million to develop a sustainable transport policy and \$3.6 million to develop the *White Paper on Land and Biodiversity at a Time of Climate Change*.

The Committee notes that the timeframe for delivery of the *White Paper on Land and Biodiversity at a Time of Climate Change* has stretched out from the original estimate of 2008²⁹⁶ to mid 2009 and encourages the Government to take all necessary steps to ensure that this project is delivered within the revised timeframe²⁹⁷.

15.2.4 Securing our Water Supplies

Following the lowest recorded inflows to our water storages in 2006, the Government launched its \$4.9 billion water plan in June 2007. *Our Water Our Future—The Next Stage of the Government's Water Plan* identified the major actions set out in table 15.1.²⁹⁸

²⁹⁵ Department of Sustainability and Environment, Sighted at www.climatechange.vic.gov.au on 25 August 2008.

²⁹⁶ Department of Sustainability and Environment, *Our Environment Our Future – Sustainability Action Statement*, July 2006, p.37

²⁹⁷ Department of Sustainability and Environment, Sighted at www.climatechange.vic.gov.au on 25 August 2008.

²⁹⁸ Department of Sustainability and Environment, *Our Water Our Future—The Next Stage of the Government's Water Plan*, June 2007, p.3

Table 15.1: Major Government Actions to Secure Victoria's Water Supplies

Major Action	Project Details	Estimated delivery date	Estimated cost
Desalination Plant	Major plant in the Wonthaggi region to produce 150 GL a year, via an 85 km pipeline connected to Melbourne's supply system. Public Private Partnership delivery.	Late 2011	\$3.1 billion, costs included in doubling of Melbourne water charges by 2012 to cover city augmentation projects
Food Bowl Irrigation Modernisation, Stage 1	Modernising Goulburn Murray Irrigation District infrastructure to capture 225 GL in lost water, for redistribution to farms, rivers and Melbourne.	2012	\$1 billion, comprising: <ul style="list-style-type: none"> • \$600 million State Government; • \$300 million Melbourne Water; and • \$100 million Goulburn Murray Water.
Expanding the Water Grid	Sugarloaf Pipeline, (70km) to transfer Melbourne's 75 GL share of savings from the Food Bowl modernisation.	Mid 2010	\$750 million, Melbourne Water, costs included in doubling of water charges by 2012 to cover city augmentation projects
	Melbourne-Geelong Pipeline (55 km connecting Geelong to Melbourne's storages and augmentations).	2011	\$120 million estimated cost, including \$20 million from State Government.
	Hamilton-Grampians Pipeline, (53 km to deliver 2 GL in savings from Wimmera Mallee Pipeline project).	2010	\$30 million, including \$10 million from State Government.
	Wimmera Mallee Pipeline (8,800 km of pipes replacing nearly 17,000 km of earth channels supplying farms and towns across 10% of the State). Will save 103 GL.	2010	\$688 million, comprising: <ul style="list-style-type: none"> • \$266 million State Government; • up to \$291 million from Commonwealth; and • \$131 million Grampians Wimmera Mallee Water.
	Reconnecting Tarago to supply additional 15 GL to Melbourne.	Mid 2009	Melbourne Water project, costs included in water charges doubling by 2012 to cover city augmentation projects.
Tarago Reservoir	Reconnecting Tarago to supply additional 15 GL to Melbourne.	Mid 2009	Melbourne Water project, costs included in water charges doubling by 2012 to cover city augmentation projects.
Gippsland Water Factory	3 GL of recycled water to substitute industrial use of potable water.	Late 2008	\$174 million, including \$50 million from State Government.
Eastern Treatment Plant Upgrade	100 GL in tertiary-treated water suitable for industrial, environmental and other purposes.	2012	\$300 million, Melbourne Water project.
Water Conservation	New and existing water savings and conservation programs for homes and industry.	Ongoing	Unspecified.

Source: Data provided to the Committee by the Department of Sustainability and Environment, and Melbourne Water.

15.3 Review of anticipated expenditure on the channel deepening project, including legal costs borne by the state in relation to the project

15.3.1 Background

The Port of Melbourne is the most important port in Victoria and one of the largest in Australia. The Port of Melbourne handled around \$53 billion of trade in 2004-05 (\$35 billion of imports and around \$18 billion of exports). It is also the nation's largest container port, accounting for 38 per cent of Australia's container trade. Activity at the Port of Melbourne generated a total economic impact of \$2.5 billion in 2004-05. It is said that the value added to Australia by the Port of Melbourne equalled \$1.1 billion and port activities supported 13,748 full time equivalent jobs.³⁰³

On 18 December 2001, the then Minister for Ports announced that the Government would proceed with detailed investigations into deepening the approach channels to the Port of Melbourne. This followed the Government's decision to give in-principle support to deepening the channels following positive results from a series of preliminary studies undertaken by the Victorian Channels Authority. The Government indicated that these preliminary studies identified no technical impediments to deepening the channels, and that significant economic benefits would flow from the proposal.³⁰⁴ An Economic Impact Study undertaken in 2007 indicated that for the period 2005-2035, the total economic benefit for Victoria and Australia equals \$2.2 billion.³⁰⁵

Channel deepening was deemed necessary because while the proportion of deeper draught ships in the world shipping fleet is increasing, and consequently being deployed to Australia, ships entering the Port of Melbourne are constrained by the depth of the shipping channels in the bay. The maximum draught for ships using the main commercial shipping channels in the bay prior to the works starting was 11.6 metres at low tide and 12.1 metres at high tide. During 2002-03, the Port of Melbourne handled approximately 1.6 million containers, yet at this time approximately 30 per cent of ships using the commercial shipping channels to access the Port of Melbourne had a maximum draught of 11.6 metres or over.³⁰⁶ By comparison, in the March quarter of 2008, 44.3 per cent of container ships faced potential draught limitations.

The channel deepening project is designed to allow access at all tide levels to ships of up to 14 metres draught and should result in improved costs and more competitive exports through economies of scale resulting from the works. It is a condition of the Environmental Management Plan (EMP) that all works are completed by December 2009. The EMP was approved by the Victorian Minister for Environment and Climate Change on 14 December 2007 and by the Federal Minister for Environment, Heritage and the Arts on 5 February 2008.

³⁰³ Department of Treasury and Finance, Port of Melbourne Economic Contribution Study, March 2007, pp.3-4

³⁰⁴ Minister For Ports, Media Release, *Channel Deepening Investigations to Proceed*, Tuesday, December 18, 2001

³⁰⁵ Department of Treasury and Finance, Port of Melbourne Economic Contribution Study, March 2007, p.56

³⁰⁶ Port of Melbourne Corporation, Key Features Report for the Environment Effects Statement, November 2003.

To achieve the project's aim to modify the shipping channels to enable access for 14 metre draught vessels to the Port of Melbourne in all tidal conditions, the project has the following elements:

- dredging of existing shipping channels including the Yarra River Channel, Williamstown Channel, Port Melbourne Channel, South Channel and the Great Ship Channel at the Entrance;
- dredging of berth pockets at Appleton Dock, Swanson Dock, Holden Dock and Gellibrand Pier;
- placement of dredged material into two dredged material grounds (DMG); one in the north of the bay and one in the south of the bay; and
- modifications to existing infrastructure including berth works, river works, protection of services, upgrades to existing navigation aids and installation of new navigation aids.

15.3.2 Channel Deepening Costs

There are two sources of costs associated with the Channel Deepening Project (CDP). The first is the direct expenditure incurred by the Port of Melbourne Corporation in delivering the project. The second is the indirect non-market economic costs potentially borne by participants other than the Port of Melbourne Corporation as a result of the CDP proceeding, be they permanent, limited to the period of construction, or for a period thereafter. Examples of these costs include:³⁰⁷

- the physical presence of the dredge interrupting the normal operation of shipping, leading to an increased probability of delay for vessels and hence increased resource usage; and
- the effect of turbidity and other dredging operations affecting commercial fishers through the potential loss of part of the fishing catch that is normally achieved.

The 2004 *Environmental Effects Statement – Economic Impact Study* estimated the present value costs of the project to be \$377 million. The *Supplementary Environmental Effects Statement* (SEES) in February 2007 estimated the present value costs of the project to be \$590.4 million.

In June 2008, the Port of Melbourne Corporation received an updated benefit-cost analysis which indicated that the present value costs were \$754.1 million. The baseline benefit-cost ratio is estimated at 2.7.³⁰⁸ The latest revised present value costs (June 2008) included:³⁰⁹

- all of the direct costs;
- environmental safeguards;
- bay-wide environmental monitoring programs;
- the \$100 million environmental bond;
- recent fuel and currency movements; and
- a contingency.

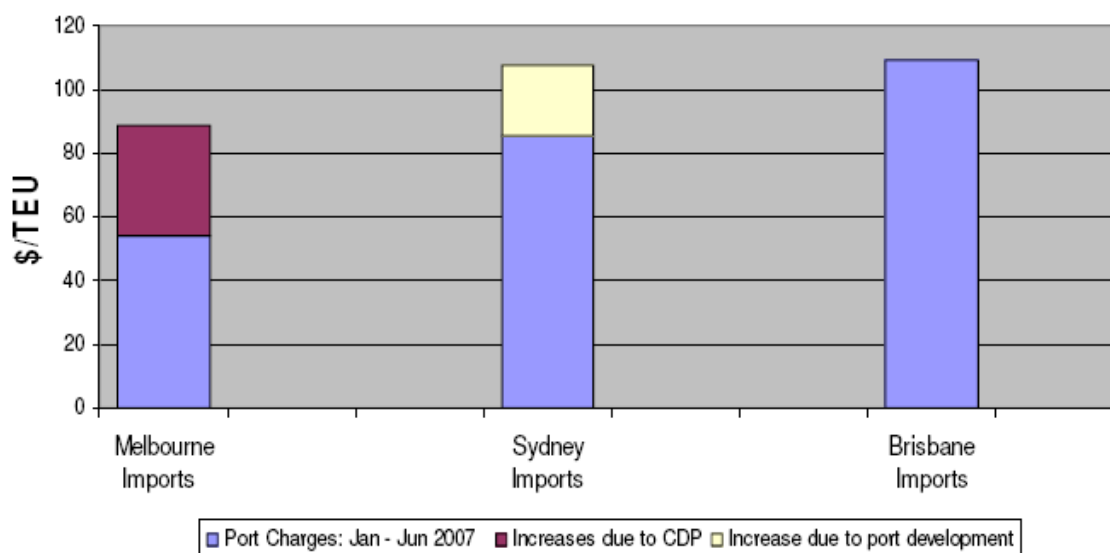
³⁰⁷ Port of Melbourne Corporation, *Supplementary Environment Effects Statement*, March 2007, Chapter 16 pp.23-24

³⁰⁸ Standing Committee on Finance and Public Administration, *Inquiry into: Port Phillip Bay: Channel Deepening*, September 2008, p.17

³⁰⁹ Port of Melbourne Corporation, *Channel Deepening Project overview fact sheet*, p.4, viewed at <www.channelproject.com.au/global/docs/fs_080124_channel_deepening_project_overview.pdf> on 05/09/2008

The Minister also provided assurance to the Committee that the TEU handling rates in Melbourne are currently lower than other eastern seaboard ports and are predicted to remain competitive into the future. Figure 15.2 shows how Port of Melbourne TEU handling rates compare with Sydney and Brisbane ports.

Figure 15.2: Port and Related Charges for Ships Comparison between eastern seaboard ports (35,000 – 40,000 Grosse Tonne range)



Source: Minister for Roads and Ports Presentation to the PAEC during the 2008-09 Budget Estimates Hearings.

15.3.3 Legal Costs associated with the Channel Deepening Project

In January and February 2008, the Blue Wedges Incorporation twice challenged the decision of the Federal Minister for the Environment, Heritage and the Arts to approve the CDP on 20 December 2007, in the Federal Court of Australia. In both cases, the court dismissed the application.³¹⁵

During the 2008-09 Budget Estimates Hearings, the Minister for Roads and Ports was questioned about the legal costs associated with the project, specifically, how much had been spent by the Port of Melbourne and the State Government and whether contingency funds had been put aside for the legal costs in the forward estimates. The question was taken on notice.³¹⁶

³¹⁵ Blue Wedges Inc v Minister for the Environment, Heritage & the Arts [2008] FCA 8 (15 January 2008), viewed at <<www.austlii.edu.au/cgi-bin/disp.pl/au/cases/cth/FCA/2008/8.html?query=channel%20deepening>> on 8 September 2008 and Blue Wedges Inc v Minister for the Environment, Heritage and the Arts [2008] FCA 399 (28 March 2008), viewed at <<<http://www.austlii.edu.au/cgi-bin/disp.pl/au/cases/cth/FCA/2008/399.html?query=channel%20deepening>>> on 8 September 2008.

³¹⁶ Mr T Pallas MP, Minister for Roads and Ports, 2008-09 Budget Estimates hearings, transcript of evidence, 16 May 2008, p.21

Table 15.3: Future Farming Strategy Projected Investment

Key Action Area	Project Summary	Total Estimated Investment (\$ million)
Boosting productivity through new technology and changes in farming practices	Expand agricultural research, development and practice change services in Victoria, including the development of new generations of drought, cold and salt resistant crops, improved plant and animal disease control, and new technologies to lift productivity.	103.5
Building skills and attracting young people to farming	A number of strategies are being implemented to build skills for the farm sector and attract young people to farming. These measures will boost regional education and training opportunities related to farming and its support industries, including new trade wings at secondary colleges for trades that are in short supply in primary industries. Decisions on State and Federal funding for these projects will be made in the 2008-09 Budget and later in the year.	0.3
Understanding and managing climate change	Help farm businesses to plan for climate change and to provide farmers in key industries with new technologies and strategies to adapt their farming systems to future climate conditions.	11.4
Strengthening land and water management	Managing weeds and pests, as well as new actions to assist farm businesses to strengthen land and water management.	23.8
Helping farm families to secure their futures	Services to support farmers and rural communities in securing their future and adjusting to change, including a new National Centre for Farmer Health to improve the health and wellbeing of farmers, farm workers and their families.	11.8
Developing new products and securing new markets	Package of initiatives to help farm businesses capture new domestic and international market opportunities. This includes enhancing Victoria's bio-security preparedness and identifying new investment opportunities and alliances.	11.1
Transporting products to market	Investment in country rail freight lines serving the grains industry to ensure the rail system can continue to deliver future crops to market. Other major investments are the deepening of the Port Phillip Bay channel and the development of a new wholesale market at Epping.	42.7
Total		204.6

Source: Department of Primary Industries, *Future Farming Strategy*, April 2008, p.3
Minister for Agriculture, response to questions taken on notice, May 2008.

A major component of this new strategy is Strengthening Land and Water Management (\$23.8 million TEI) of which the Government has identified a \$20 million, four year investment to tackle weeds and pests. The remaining funding of \$3.8 million over four years will be provided to establish a new *Regional Strategic Planning Expert Group* to identify and plan for future scenarios for farming and farming communities.³¹⁸

³¹⁸ Department of Primary Industries, *Future Farming Strategy*, April 2008, p.31

15.4.2 Weed and Pest Control Issues

Historically, inappropriate Government policies and farming practices and land management have resulted in soil erosion, loss of nutrients and native vegetation, and increased salinity and soil acidification in some areas of Victoria. However, improved knowledge about solutions, financial resources and collaborative action is helping to improve natural resources management.

Victoria's farm businesses invest around \$500 million on natural resources management each year, including improved cultivation, replanting of native vegetation, and pest and weed management. Good farm management practices have delivered significant private and public benefits, including improved productivity and amenity, reduced soil erosion and weeds, and enhanced biodiversity.

Despite recent successes there are a number of new and growing threats facing Victoria. For example, there are more than 2,500 exotic plant species already in Australia that could become weeds, many of which are not covered by existing approaches.³¹⁹

15.4.3 Government Investment in Weed and Pest Control

The 2003-04 Budget provided \$24 million over four years to preserve Victoria's native flora and fauna and reduce the damage caused by weeds and pests to farms and the natural environment. This funding was split, with \$14 million over 4 years allocated to weed and pest control programs on public land (*Weeds and Pests on Public Land Initiative 2003–07*) and \$10 million towards tackling weeds on private farmland. The Committee notes that in February 2008, the Government published *Making a difference - Weeds and Pests on Public Land Initiative 2003–07* which summarised the achievements of this program.³²⁰

The 2007-08 Budget provided \$30.1 million over four years to implement a new bio-security framework that will promote integrated weed and pest management across public and private land. This included \$4 million for new programs to prevent weeds and \$26 million to extend existing programs, including the protection of high-value assets on public land.³²¹

³¹⁹ Department of Primary Industries, Future Farming Strategy, April 2008, p.30

³²⁰ Department of Sustainability and Environment, February 2008, Making a difference - Weeds and Pests on Public Land Initiative 2003–07

³²¹ Department of Treasury and Finance, 2007-08 Budget Paper No. 3 Service Delivery, p.322 and p.325 and Department of Sustainability and Environment, February 2008, Making a difference - Weeds and Pests on Public Land Initiative 2003–07, p.1

The 2008-09 Budget provided a further \$23.8 million over four years as part of the Strengthening Land Management action from the *Future Farming Strategy*. Strengthening Land Management allocates \$3.8 million to establish a rural planning expert panel to advise the government on opportunities for improved land use planning to facilitate rural structural adjustment assessment and long-term support for agriculture and \$20 million to the New Action on Weeds and Pests initiative (NAWP).³²² NAWP outlines the Government's most recent approach to dealing with invasive plants and animals, with a focus on dealing with species that pose the greatest risks to the state. It includes the following initiatives to tackle weeds and pests:³²³

- supporting local government in their management of weeds and pests on roadsides;
- developing incursion and treatment plans for regionally prohibited weeds;
- improving early response capability for new and emerging pests in a changing climate;
- increasing voluntary compliance for regionally controlled weeds;
- more effectively controlling weeds and pests on public land by expanding the Government's Good Neighbour Program;
- improving the use of bio-controls for management of widespread weeds;
- reviewing wild dog management options; and
- increasing community involvement in more targeted programs for integrated fox management.

15.4.4 The Government's Approach to Weed and Pest Control

In 2002, the Department of Natural Resources and Environment (NRE) released *Victorian Pest Management – A Framework for Action* (VPMF). This policy document established a planning framework for pest management which is still in use today. The VPMF was established to provide a mechanism for considering terrestrial and aquatic weed and vertebrate and invertebrate management in Victoria.

Responsibility for weed and pest control is split between the Department of Primary Industries (DPI) and the Department of Sustainability and Environment (DSE). Together they administer nine main Acts covering bio-security for plants, animals, forestry or the environment.³²⁴ Given that a number of other agencies, including catchment management authorities and local government, are involved in the management of pests and weeds, the Committee believes that the responsible department should clearly identify the roles and responsibilities of all agencies and departments.

DPI advised the Committee that they use a range of techniques to achieve weed and pest compliance including education, partnership development and capacity building approaches, voluntary compliance, and regulatory compliance utilising the Catchment and Land Protection Act. Their annual recurrent investment in weed and pest management programs for private land is \$10.2 million which is invested in activities on private land. DPI employs 90 staff authorised under the Catchment and Land Protection Act to undertake pest plant and animal compliance activities.³²⁵

³²² Department of Treasury and Finance, 2008-09 Budget Paper No.3 Service Delivery, pp.221, 299

³²³ Department of Primary Industries, *Future Farming Strategy*, April 2008, p.31

³²⁴ Victorian Auditor-General's Office, April 2004, *Beating the bugs: Protecting Victoria's economically significant crops from pests and diseases*, p.31

³²⁵ Department of Primary Industries, response to questions taken on notice, May 2008

DPI also indicated that they have achieved a greater than 90 per cent compliance ratio through voluntary means, with less than five per cent involving court action (35-60 cases over the past 4 years). In 2007-08 DPI issued 115 Penalty Infringement Notices with eight proceeding to court. The 2008-09 Budget will allow DPI to create an additional 11 new enforcement related positions.

Table 15.4 indicates the major output measures adopted that relate to weed and pest control:

Table 15.4: Major Output Measures relating to Weed and Pest Control

Major Output/Deliverable	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	2007-08 Target	2006-07 Actual
Animal pest, disease and residue control programs maintained to assist industry to access markets	Number	5	5	5	5
Landholders complying with pest plant and animal control requirements under the Catchment and Land Protection Act 1994 within agreed timeframes and in targeted areas	Per cent	85	83	83	nm
Number of state prohibited weed infestations treated	Number	130	130	130	nm
Plant pest, disease and residue control programs maintained to assist industry to access markets	Number	6	6	6	6
Signed land manager (public and private) agreements to undertake agreed improved land management practices	Number	9	nm	nm	nm
Response time to animal pest, disease, residue and disaster incidents	Hours	<24	<24	<24	<24
Response time to plant pest, disease, residue and disaster incidents	Hours	<24	<24	<24	<24
Agreements with local government to control pests on roadsides	Number	30	nm	nm	nm

Source: Department of Treasury and Finance, Budget Paper No.3 Service Delivery, May 2008, pp.221-224

Two of these measures, signed land manager agreements and agreements with local governments, are new measures which relate to the funding provided for the New Action on Weeds and Pests initiative.