‘Crying for our Country’: eight ways in which ‘Caring for our Country’ has undermined Australia’s regional model for natural resource management

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The Australian Government’s ‘Caring for our Country’ program has undermined Australia’s ‘regional model’ for natural resource management, and eroded gains made under the precursor Natural Heritage Trust and related programs, in eight significant ways. Contrary to expectations that Caring for our Country, established in 2008, would build on the foundations established by the Natural Heritage Trust, it has adopted a narrower agenda, increased central government control, and compromised buy-in by state and territory governments. In reaction to the difficulty of assessing the cost-effectiveness of natural resource management program investments, priority has been given to discrete projects capable of demonstrating short-term, measurable outputs. Implementation of Caring for our Country has failed to realise the aspirations of regional organisations for core funding, substantially increased transaction costs and diminished success rates under competitive funding arrangements, and prejudiced the goodwill of many in the natural resource management community. Commitment to local community natural resource management movements like Landcare has been inconsistent, and largely unsuccessful. Retracting investment in relevant research and development, notably the termination of Land and Water Australia in 2009, has severely limited knowledge creation and sharing to inform and strengthen the regional model. We contend that the Australian Government should revisit its strategy for enabling and sustaining natural resource management investment, and that there is a substantial body of evidence in favour of approaches based on the regional model.

Keywords: Caring for our Country; governance Landcare; National Action Plan for Salinity and Water Quality; Natural Heritage Trust; natural resource management

When elected as the Australian Government in 1996, the Liberal-National Party Coalition led by John Howard established a Natural Heritage Trust (NHT)1, funded by the partial sale of the nation’s then publicly owned primary telecommunications provider, Telstra. The government committed to ‘invest over $1.25 billion through the Trust while also establishing a capital base of $300 million to be retained in perpetuity to fund future environmental activities’ (Commonwealth of Australia 1997, p. 16). The emphasis of the NHT was on ‘immediate action’ – ‘No more unnecessary studies, no more talk. Action’ (Commonwealth of Australia 1997, pp. 4–5). The trust funds were available to ‘projects which directly address pressing...
environmental issues whether they be at a local, regional, State or national level’ (Commonwealth of Australia 1997, p. 4).

The NHT formed an umbrella for all federal natural resource management (NRM) programs, which comprised both new (e.g. Bushcare, Rivercare, Murray-Darling 2001 – Commonwealth of Australia 1997) and pre-existing programs. Amongst the most notable of the latter was the long-standing National Landcare Program, a remarkably successful initiative arising from the joint advocacy efforts of conservationists and farmers (Farley & Toyne 1989), and which established more than 2000 Landcare groups nationally in its first four years, representing about one-third of all farming families (Campbell 1994).

Independent mid-term evaluations reported many shortcomings in delivery of the NHT, including protracted negotiations with state and territory governments, complicated funding application processes, and onerous reporting requirements (AWT 1999; AWT & Hassall & Associates 1999; Breckwoldt 1999; Buxton Connections 1999; Dames & Moore NRM 1999; Sinclair Knight Merz 1999). At the same time, scientific evidence – especially that emerging from the National Land & Water Resources Audit (Commonwealth of Australia 2000a, 2001a, 2001b, 2001c) – highlighted both the magnitude and complexity of Australia’s NRM problems. Discourse at the time warned of the dangers of continuing with a ‘vegemite approach’ to program delivery – spreading funds thinly across landholders and landscapes (Siewert 2008) – and the need to better target, concentrate and scale-up on-ground works in order to achieve landscape-scale change.

This more strategic, larger-scale thinking was embedded in the successor Natural Heritage Trust Phase 2 (NHT2), of $1.75 billion over six years (2002–2003 to 2007–2008), and the National Action Plan for Salinity and Water Quality (NAP), of $1.4 billion (2000–2001 to 2007–2008) targeting 21 priority regions (Council of Australian Governments 2000; Commonwealth of Australia 2001d). These programs and associated policy measures focused on developing regional-level strategic plans through which to channel joint federal-state NRM funding, and were largely responsible for embedding the so-called ‘regional model’ of natural resource management across Australia. Under these arrangements, a designated network of 56 regional NRM organisations, governed by community-based boards of management, was given significant responsibilities to deliver more strategic NRM outcomes under the aegis of national programs (Robins & Dovers 2007a).

These regional NRM organisations vary significantly, both between and often within jurisdictions, in terms of origin, form, capacities, and environmental and social contexts, and many have functions beyond delivering federal programs. The land areas for which they are responsible range in size from 1840 km² (Sydney Metro Catchment Management Authority, NSW) to 1 850 000 km² (Rangelands NRM Coordinating Group, WA) (Robins & Dovers 2007b). Their legal structures are similarly diverse, comprising statutory authorities, incorporated associations, limited companies and body corporates. An analysis in 2007 found that the number of staff in each NRM organisation varied from five to 75, with governing boards of between six and 20 members (Robins & Dovers 2007a). Although diverse, these organisations represented a far more recognisable and persistent set of institutional and management entities than existed previously at the regional scale in Australian natural resource management (Moore & Rockloff 2006).
While the regional model has been the subject of criticism in terms of governance criteria, such as legitimacy, democracy and accountability (Head & Ryan 2004; Paton et al. 2004; Broderick 2005; Wallington et al. 2008), several studies reported that it was widely perceived by a diversity of stakeholders, including Indigenous communities, as the preferred approach to NRM delivery (Agriculture and Food Policy Reference Group 2006; Keogh et al. 2006; Sinclair Knight Merz 2006), and one that warranted further development and improvement. Its merits were confirmed by the Australian National Audit Office’s evaluation of the ‘regional delivery model’ and the Senate Standing Committee on Rural & Regional Affairs & Transport’s Inquiry into ‘Natural Resource Management and Conservation Challenges’. The first reported that, ‘[w]hile not explicitly outlining the costs and benefits of alternative models, the rationale for the delivery of the NHT2 and NAP was well supported by research and the results of evaluations’ (ANAO 2008, p. 17), while the second found that, ‘[t]here is significant support for [the] regional delivery method for NRM and it is widely considered to provide a useful platform for future NRM programs...’ (Commonwealth of Australia 2010, p. 30).

After the Rudd Labor Government succeeded the Howard Government in 2007, it announced a replacement national NRM program to NHT2 and NAP, called ‘Caring for our Country’ (CfoC). CfoC has a budget of $2.25 billion over 5 years (2008–2009 to 2012–2013), the majority of which is allocated consistent with priorities set out in annual CfoC business plans (DEWHA & DAFF 2008). CfoC was widely expected to build on the foundations of the regional model established by its precursors; for example, Powell (1993, p. 51) had noted earlier that, ‘ALP [Australian Labor Party] intellectuals applauded it [the regional idea] as a special “democratising device”, for the articulation of local needs and the efficient delivery of nationally coordinated programs’. It soon became clear, however, that such a view did not prevail in the Rudd Labor Government. While the NHT2 and the NAP were allowed to run their course until June 2008, the new Caring for our Country Business Plan(s) (Commonwealth of Australia 2008, 2009) set a very different and largely unexpected course. As a consequence, a recent report on Australia’s NRM governance system by the Regional NRM Chairs expressed concern ‘that the roles of regional bodies and their relationship to the Australian Government has been altered under the new arrangements in the Caring for our Country program, and that there had been little shared discussion about the impacts this would have on delivery of NRM’ (Ryan et al. 2010, p. 1).

This article identifies and discusses eight key ways in which the framing and delivery of the CfoC program, and related NRM policy measures, has significantly undermined the regional model for Australian natural resource management, and eroded past gains made under the NHT and related programs. The eight topics presented are inter-related to an extent, but also sufficiently distinct to warrant separate attention. They address the narrower agenda of CfoC; its re-centralisation of control over NRM governance; its simple focus on short-term, measurable outputs; and its threat to past and ongoing investment by state and territory governments. We argue that CfoC has failed to meet regional expectations for the provision of ‘block’ funds, has increased transaction costs, and widened the gap between regional NRM bodies and their local constituencies. Cuts to federal research and development (R&D) funding related to NRM have also diminished the knowledge base underpinning regional NRM delivery. The article concludes with
some reflections on the implications of these issues for future NRM investment in Australia.

(1) Caring for our Country narrowed the agenda for natural resource management

When it was introduced, CfoC was purported to, ‘for the first time, bring together delivery of a raft of Australian Government programs into an integrated package with one clear goal, a business approach to investment with clearly articulated outcomes and priorities’ (Australian Government n.d.-a, p. 1). Its overarching goal was defined as ‘an environment that is healthy, better protected, well managed, resilient and provides essential ecosystem services in a changing climate’ (Australian Government n.d.-b), within the following six nationally-defined priority areas (Australian Government 2008a):

- national reserve system
- biodiversity and natural icons, including weed and feral animal control, and threatened species
- coastal environments and critical aquatic habitats
- sustainable farm practices, including landcare
- natural resource management in remote and northern Australia
- community skills, knowledge, and engagement.

Contrary to claims of an integrated package of programs, CfoC’s national priorities are more reminiscent of pre-NHT programs with a single-issue focus, such as the 1983–1992 National Soil Conservation Program² (Scott & Olley 2003) or the 1989–1998 One Billion Trees Program (Curtis & Race 1997). CfoC ‘is rather a set of selective investments in particular natural resource areas against a set of priorities determined solely by the Australian Government’ (ACT Natural Resource Management Council 2008 in Commonwealth of Australia 2010, p. 47), with ‘the potential to produce very non-strategic results’ (Berwick 2009 in Commonwealth of Australia 2010, p. 50).

The six national priority areas of the CfoC program represent a retreat from the integrated catchment management (ICM) and participatory approaches to NRM delivery that have progressively evolved under the NHT and related programs (Commonwealth of Australia 2000b; Robins 2007; Lane et al. 2009). We suggest that a broader objective consistent with the goal of the NHT2 – that is, ‘to help restore and conserve Australia’s environment and natural resources through biodiversity conservation, sustainable use of natural resources, and community capacity building and institutional change’ (ITS Global 2006) – would have been more appropriate and allowed CfoC greater scope to acknowledge and address the diversity of interests and challenges across Australia’s 56 NRM regions.

(2) Central control has increased at the expense of regionally-determined goals and priorities

Despite acknowledgment that, ‘the skills and expertise of regional natural resource management organisations will be very important in achieving the outcomes of Caring for our Country’ (Australian Government n.d.-a, p. 5), the program’s
emphasis on these six nationally prescribed priorities suggests otherwise, and
effectively circumvents regional NRM plans as the primary mechanism for
articulating and delivering integrated regional NRM outcomes. Under CfCoC, the
scope for regional organisations to allocate resources in accordance with their
regional NRM plans is very limited. Marshall and Stafford Smith (2010, p. 269), for
example, noted that, ‘... the move from the NAP to its successor program – Caring
for our Country – has left regional NRM bodies with even less autonomy to adapt
their investment decisions to their unique circumstances’.

Under the umbrella of the NHT2, regional organisations and their constituencies
laboured intensively and iteratively to develop integrated regional NRM plans and
associated investment strategies (e.g. Natural Resources Commission 2006, 2008). To
be accredited by, and thus receive funding from, the Australian Government, these
plans were required to ‘identify all of the key natural resource management issues in
a region, develop actions to address these issues and then select the most important
issues for action. They ... also set resource condition and management action targets
based on agreed national standards’ (EA & AFFA 2002, p. 3). The resultant plans
were jointly assessed and accredited by state, territory and federal governments.
While subsequent evaluations and audits identified various limitations in these
regional NRM plans – such as access to and utilisation of the best available science
(e.g. CSIRO & Bureau of Meteorology 2004; Natural Resources Commission 2006,
2008; ANAO 2008; Seymour et al. 2008; Alexander et al. 2010; Pannell & Roberts
2010) – continuous improvement and adaptive management were recognised as core
features of the process (and products) of regional NRM planning and, indeed, the
regional model itself. As the ANAO (2008, p. 25) noted, ‘[t]he regional delivery
model is still relatively new and the [federal] Departments in partnership with state
and territory governments and regional bodies have continually sought to improve
the model over time’.

Consistent with the emerging principles of environmental governance (e.g.
Lockwood et al. 2007; Gunningham 2009), such as that of devolution or ‘nested
subsidiarity’ (Marshall 2008), many anticipated that Australian Government
programs such as CfCoC would empower regional organisations to further refine
and implement their regional plans and build stronger relationships with their
regional constituents (e.g. Lane 2006; Davidson & Lockwood 2009; Gunningham
2009, Box 1, p. 204). Instead, under CfCoC, the Australian Government withdrew its
commitment to regional NRM plans, which are now required only in those states
where it is legislatively prescribed by the state government, i.e. in NSW and Victoria
(Ryan et al. 2010, p. 13). The Regional NRM Chairs have noted that, ‘[d]evelopment
and accreditation of regional plans in order to receive Commonwealth NHT funding
was more consistent with democratic decentralisation than the current Caring for
our Country focus on the Australian Government making its investment decisions
alone’ (Ryan et al. 2010, p. 9). This is consistent with Dovers’ (2008, p. 220)
observation of ‘a trend in recent years of reduced civic society roles in higher level
policy formulation’ in natural resource and environmental management.

However, another shift in strategy was flagged in the Labor Party’s pre-2010
election material, which stated that, ‘There will be a renewed recognition of regional
and state natural resource management plans and support for them being aligned to,
and informing, national targets and priorities’ (Gillard & Labor n.d., p. 2). This
recognition had yet to be further articulated at the time of writing this article.
A simple outputs focus has ignored real-world complexity

The framing of CoFC focuses on simple, tangible outputs that may be realised over a one- to three-year timeframe (Australian Government 2008b). Funding allocations and related media releases for the CoFC program have emphasised discrete issues and quantitative measures of activity – that is, outputs rather than outcomes. The following announcement in relation to allocations under the 2009–2010 funding round (Australian Government 2009a) provides an example of this phenomenon:

- ‘more than 600 community volunteer days of cane toad control
- rodent eradication programs on eight of Australia’s small islands
- feral animal suppression programs covering more than 178 million hectares to allow regeneration and recovery of critically endangered and threatened species and communities
- biological control of weeds of national significance across Victoria, Tasmania, South Australia and NSW
- around 3000 additional primary producers using improved soil management methods on their properties
- more than 1000 community organisations to be involved in coastal conservation projects.’

The CoFC program emphasises the demonstration of immediate value from public investments in NRM. This would seem to be a response to three inter-related factors, although we note that these factors are not confined in Australian politics to the particular change of government we discuss below. The first factor might reflect the Rudd Government’s desire to be seen as economically responsible managers, as articulated by the then Assistant Treasurer and Minister for Competition Policy and Consumer Affairs, Chris Bowen: ‘The first Budget of a new government sets the tone of a government. Ours is economic responsibility’ (Bowen 2008). A second, complementary, factor is a strategy of presenting the former (in this case, Howard) government as poor economic managers. For example, prior to the 2010 election, Julia Gillard and Labor (n.d., p. 3) argued that, ‘The NHT was manipulated to achieve political ends. Coalition Ministers treated it as a giant slush-fund, which they would dip into at will. There were examples of just about every kind of maladministration, including poor financial management and late payment’. The third factor is the government’s implicit response to, and endorsement of, evaluations of NRM program investments by the Australian National Audit Office (Australian Government n.d.-b). A succession of ANAO reports on a series of Commonwealth NRM programs, including the NAP and NHT (ANAO 1997, 1998, 2001, 2004, 2008), have made comment, such as this 2008 example: ‘Overall, the ANAO considers the information reported in the DAFF and NHT Annual Reports has been insufficient to make an informed judgement as to the progress of the programs towards either outcomes or intermediate outcomes’ arising from NRM investments (ANAO 2008, p. 16). Such adverse assessment is not confined to the ANAO; other evaluations of the NAP (e.g. Pannell & Roberts 2010, nationally; Alexander et al. 2010, for Victoria) have also found ‘serious weaknesses’ in investment strategies (Pannell & Roberts, 2010, p. 437) and suggested that they delivered ‘few worthwhile benefits and little enduring benefit’ (Alexander et al. 2010, p. 45).
However, as the Wentworth Group of Concerned Scientists (2008), amongst others, has noted, evaluating the outcomes of NRM investments is challenging; it is, in their view, significantly hindered by the lack of an adequate set of national environmental accounts. The difficulties in evaluating NRM investments include the often complex links between the problems and solutions (e.g. Barr et al. 2000; Earl & Cresswell 2005), the various and often large spatial scales at which NRM issues operate (e.g. Walker et al. 1999; Commonwealth of Australia 2000b), the typically lengthy timeframes between action and system response (e.g. Curtis 2003; Walker et al. 2003), the multiplicity of players required to take action (e.g. Campbell 2006), and the need to invest in less tangible or second-tier factors, like community education and network strengthening (e.g. Campbell & Schofield 2007; Curtis et al. 2008). The ANAO (2008) evaluation itself ‘recognise[d] that it was no easy task to develop high quality regional plans in the absence of quality data or prior research’ (p. 19), and ‘at the present time (authors’ emphasis) it is not possible to report meaningfully on the extent to which [NHT and NAP investment] outputs contribute to the outcomes sought by government. There are long lead times for national outcomes…’ (ANAO 2008, p. 16). Perhaps unsurprisingly, political statements such as, ‘[a] series of damning reports by the Australian National Audit Office found that the Natural Heritage Trust’s results were at best patchy, and at worst non-existent’ (Julia Gillard and Labor n.d, p. 3) therefore appear to be selective in their emphasis. Admittedly, this may reflect in part the difficulties of communicating more complex messages about inherently complex environmental problems, as evidenced subsequently in the release of the Murray-Darling Basin Plan (e.g. Campbell 2010).

The direction for CfoC set by the Rudd Government was also at odds with thinking articulated at the same time by the Australian Public Service Commission. Its policy paper Tackling wicked problems – that is, complex issues that are highly resistant to resolution – stressed that success needs ‘a broad recognition and understanding, including from governments and Ministers, that there are no quick fixes and simple solutions’ (Australian Public Service Commission 2007, p. iii). The Commission noted that, ‘a devolved approach to service delivery can assist in dealing with complex problems’ (Australian Public Service Commission 2007, p. 20), and cited the regional NRM model as ‘a good example of working across organisational boundaries to tackle a wicked problem’ (p. 22). This view has been reinforced more recently in a report to the Natural Resources Management Ministerial Council on Australia’s biodiversity and climate change, which stated that, ‘[our] current governance arrangements for conserving biodiversity are not designed to deal with the challenges of climate change… [we] need to move towards strengthening and reforming governance at the regional level, and towards more flexibility and coherence nationally’ (Steffen et al. 2009, p. 20).

(4) Buy-in by state and territory governments has been compromised

The House of Representatives Standing Committee on Environment and Heritage’s inquiry into catchment management (Commonwealth of Australia 2000b, p. 28) noted that, ‘[t]he Constitution of the Commonwealth does not confer upon the Commonwealth Parliament any specific power to make laws in respect of the environment, land management or water use’ and, as a result, ‘the primary responsibility for land use and land management has been assumed by the states
and territories.’ However, successive Australian federal governments have used large-scale national grants programs (see the section ‘National strategies and initiatives’ in Commonwealth of Australia 2000b, pp. 30–31) as a means of influencing land and water management, and circumventing the states’ and territories’ assumed constitutional powers. Disbursement of central government funds has also been used to leverage significant state and territory resources, and strengthen the federal power base in the NRM arena (Gunningham 2009; Robins 2010). Although participation by the states and territories in such programs is voluntary, those governments that do not align their strategic directions (and resources) with those of the federal government are likely to forego a significant injection of federal funds; for example, in the case of the NAP: ‘only those jurisdictions that agree to implement a salinity and water quality plan as a package will receive Commonwealth funding’ (Commonwealth of Australia 2000b, p. 31). Under the NHT2 and NAP, federal NRM policy progressively shifted from directly funding state and territory agencies and local groups to channelling most resources through regional NRM organisations (Robins 2010); by 2008, ANAO (2008, p. 14) reported that, ‘over half of the administered funds allocated to the NHT2 and the NAP to June 2007 (that is, some $1 billion) have been spent through 56 regional bodies across Australia.’ The increasing importance accorded to regional NRM organisations was reflected in bilateral agreements signed by the state and territory governments with the federal government (WalterTurnbull 2005).

With the emergence under the NHT2 of ‘regions’ as the preferred or coordinating unit of NRM delivery, the state and territory governments facilitated the formation of new regional organisations and the expansion of the boundaries of some existing entities or their amalgamation with smaller ones (Robins & Dovers 2007a, b). The state and territory governments also enacted substantial institutional changes to align their arrangements – both legislative (e.g. SA’s Natural Resources Management Act 2004, NSW’s Catchment Management Authorities Act 2003) and structural (e.g. NSW Natural Resources Commission, Victorian Catchment Management Council) – with this approach. Thus, by 2010, the Senate Inquiry could report that, ‘[m]ost organisations, groups and individuals were supportive of the regional approach’ (Commonwealth of Australia 2010, p. 15).

However, this nation-wide architecture has come under threat since the initiation of CfoC. Regional NRM arrangements, including state government budget contributions, have been revisited in several jurisdictions. For example, the Regional Chairs Collective Group of Western Australia (WA) commissioned a review of the value of WA’s regional NRM groups in NRM delivery, which complemented ‘a concurrent Ministerial review that is tasked with providing advice on, among other things, a preferred regional model to deliver a State regional NRM program and consequent implications for the role of Regional NRM Groups’ (interPART and Associates et al. 2009, p. 9). In Victoria, the ten existing catchment management authorities (CMAs) are to be reconstituted into four natural resource and catchment authorities (NRCAs) – incorporating CMAs and regional coastal boards – with the Port Phillip and Westernport CMA amalgamated with Melbourne Water and the Central Coastal Board (DSE 2008). The diminution of federal government commitment to and support for regional NRM organisations as the foundational elements of NRM planning and delivery has compromised the significant level of
financial, human and social capital invested by the state and territory governments in these supporting institutional structures and processes.

(5) Core funding has been reduced and constrained

As the regional NRM model became established, and as regional NRM organisations developed their capacity to deliver outcomes against the accredited plans, calls for core (generally referred to as ‘block’) funding of the regional organisations began to emerge, particularly in the concluding phases of the NHT2 and NAP. Davidson et al. (2008, p. 10) reported that, ‘[a]ll regions noted their very small discretionary budgets, with most funds tied to projects or required to meet fixed costs. There is an expectation that this may change with block-funding arrangements being proposed for NHT3.’

Related research by Lockwood et al. (2007, p. 32) reported strong support for a block-funding model, and argued that, ‘...it is time for governments to give [the regional NRM organisations] the financial autonomy they need.’ Keogh et al.’s (2006, p. 11) review of the regional model for the Ministerial Reference Group recommended ‘[t]hat where a regional body has demonstrated a capacity to manage its business effectively and accountably to an agreed standard, then block funding be devolved to that body to allow greater flexibility in their operations.’ Consequently, by the time of the election of the Rudd Government, expectations were high – at least amongst regional NRM organisations – of Australian Government commitment to block-funding, consistent with the principle of national government playing an enabling role in regional NRM (Powell 1993).

However, these expectations were not realised in the design and implementation of CfoC. Over the five-year budget horizon (2008–2009 to 2012–2013) of CfoC, $636 million of the total budget allocation of $2.25 billion was identified as ‘a secure base-level of funding to regional bodies to invest in actions that complement and contribute to the Government’s six national priorities’ (Australian Government n.d.-c, p. 1). In the transition year (2008–2009), regional organisations were guaranteed annual ‘baseline’ funding of 60 percent of their average annual allocation received under previous NRM programs, together with an additional $31.8 million to assist regions with transition arrangements (Australian Government n.d.-c, p. 1). The Senate Inquiry (Commonwealth of Australia 2010, p. 37) reported that, ‘although regional organisations were guaranteed an amount of funding collectively in 2008–2009, in reality, the amount allocated to each regional organisation could vary from 80% to 60% or less. This is a source of great uncertainty for many of the regional organisations.’ It further noted that total funds allocated to the 56 regions decreased by $22.79 million in 2008–2009, the first year of CfoC, compared with 2007–2008 (Commonwealth of Australia 2010, p. 37). For the remaining four years, regional NRM organisations were guaranteed collective base-level funding of $127.2 million per annum, with an additional $10.8 million to support adjustment over the same period (Australian Government n.d.-c, p. 1). Budget allocations to the 56 regional NRM organisations for ‘base-level’ funding in 2009–2010, totalling $293.75 million, are shown in Table 1 (Australian Government 2009b).

However, the concept of ‘base-level’ funding under CfoC is not the same as the ‘block-funding’ envisaged by regional NRM organisations prior to the introduction of the program. In the context of CfoC, ‘base-level’ refers to the minimum funding
provided for specific projects approved by the Australian Government, rather than a minimum commitment of funds to support the delivery of regionally-determined, and subsequently state and nationally-accredited, NRM priority outcomes. CfoC arrangements have therefore reduced both total project funding available to regional organisations and moved away from what had been seen as the logical next step in empowering regional NRM management, that is, the provision of block-funding. While CfoC arrangements were represented as providing security (Australian Government n.d.-c), their immediate impact was both a reduction in the overall number of staff employed by regional organisations and higher levels of instability and uncertainty in human resources in the regional NRM system. As the Senate Inquiry reported, ‘[a] number of witnesses told the committee that they had lost staff as a consequence of the changes and that this had been extremely disruptive’ (Commonwealth of Australia 2010, p. 52). Previously, Davidson et al. (2008, p. 10) had reported that funding ‘[i]nsecurity is leading organizations to find alternative means of income such as selling technical services, but to do so they take staffing levels to the limits of sustainability.’

(6) Increased transaction costs: unproductive ‘busyness’ reaches new heights

In the announcement of CfoC, the Australian Government stressed its commitment to ‘a business approach to investment’ and ‘simpler, less bureaucratic arrangements’ (Australian Government n.d.-b, p.2). This business-oriented philosophy was manifested in part in the introduction of a more competitive approach to funding. An open grants process purportedly provided ‘an increased opportunity for non-government organisations, regional bodies, local, state, territory and Australian government agencies to access a greater proportion of the program’s funds’ (Australian Government n.d.-b, p. 2). However, this competitive approach was contrary to the findings of the Australian Public Service Commission (2007, p. 10), which reported that

<table>
<thead>
<tr>
<th>Area (no. of NRM regions)</th>
<th>Base-level funding, $M</th>
<th>Regional average, $M</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT (1)</td>
<td>2.72</td>
<td>2.72</td>
</tr>
<tr>
<td>NSW (13)</td>
<td>102.65</td>
<td>7.90</td>
</tr>
<tr>
<td>NT (1)</td>
<td>6.23</td>
<td>6.23</td>
</tr>
<tr>
<td>QLD* (14)</td>
<td>39.49</td>
<td>2.82</td>
</tr>
<tr>
<td>SA (8)</td>
<td>35.46</td>
<td>4.43</td>
</tr>
<tr>
<td>TAS (3)</td>
<td>13.60</td>
<td>4.53</td>
</tr>
<tr>
<td>VIC (10)</td>
<td>37.99</td>
<td>3.80</td>
</tr>
<tr>
<td>WA (6)</td>
<td>55.61</td>
<td>9.27</td>
</tr>
<tr>
<td><strong>Australia-wide (56)</strong></td>
<td><strong>293.75</strong>^a</td>
<td><strong>5.25</strong></td>
</tr>
</tbody>
</table>

^a Joint Ministerial Media Release announcing these funds describes the $293 million allocation as ‘for 56 regional organisations, more than 1,200 community groups and more than 12,000 landholders …’ (Australian Government 2009a, p. 1).

*excludes $51.8 million allocated under Reef Rescue for Queensland (the majority of which was awarded to regional NRM organisations)

^^projects span from 1–4 years (that is, funds are not confined to financial year 2009–2010)
the bulk of the literature supported collaborative strategies as being 'the most effective in dealing with wicked problems that have many stakeholders amongst whom power is dispersed. It is particularly relevant where part of the solution to the problem involves sustained behavioural change by many stakeholders and/or citizens'. Further reflections on the highly complex nature of integration and collaboration in order to improve the management of natural resources and environments at a large scale were provided by Lane and Robinson (2009).

Ultimately, 1300 proposals were submitted in response to the 2009–2010 Caring for our Country Business Plan competitive grants call. Only 59 of these were successful, and only in 12 of these cases was the primary successful applicant a regional NRM organisation (Table 2) (Australian Government 2009c). This equates to success rates of five per cent overall and one per cent in the case of regional NRM organisations. By comparison, the average success rate in the Australian Research Council’s Discovery scheme, its most competitive program for funding of university research projects, is 20 per cent (ARC 2009). A total of $57.5 million was disbursed to the 59 CfoC projects (Australian Government 2009c).

Most of the 2009–2010 CfoC applications comprised multiple partners, adding to the complexity of, and time required for, their preparation. Assuming a conservative estimate of 30 person days per application – based on two partner organisations committing the equivalent of 15 person days each on proposal development, stakeholder consultation and internal approval measures – the application process required a total of at least 37 200 working days in the preparation of unsuccessful bids. Based on an indicative, conservative cost of $250/day,4 the direct cost of preparing unsuccessful applications was at least $9.6 million, that is, around 16 per cent of the available funds.

Table 2. Distribution under Caring for our Country competitive grants process (2009–2010) for 59 successful applicants (out of 1300 proposals) (derived from data in Australian Government 2009c)

<table>
<thead>
<tr>
<th>Area (no. of NRM regions)</th>
<th>Amount, $M</th>
<th>No. of regions (no. of total successful applicants)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>6.51</td>
<td>3^ (11)</td>
</tr>
<tr>
<td>State</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACT (1)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>NSW (13)</td>
<td>6.51</td>
<td>3 (5)</td>
</tr>
<tr>
<td>NT (1)</td>
<td>1.42</td>
<td>1 (2)</td>
</tr>
<tr>
<td>QLD* (14)</td>
<td>3.16</td>
<td>3 (6)</td>
</tr>
<tr>
<td>SA (8)</td>
<td>–</td>
<td>– (4)</td>
</tr>
<tr>
<td>Tas (3)</td>
<td>0.20</td>
<td>1 (8)</td>
</tr>
<tr>
<td>Vic (10)</td>
<td>–</td>
<td>– (15)</td>
</tr>
<tr>
<td>WA (6)</td>
<td>0.46</td>
<td>1 (8)</td>
</tr>
<tr>
<td>NRM Australia-wide (56)</td>
<td>18.26 (57.5)</td>
<td>12 (59)</td>
</tr>
</tbody>
</table>

^national category (funding awarded to regional NRM organisations in Qld, SA and Vic)
*excludes $51.8 million allocated under Reef Rescue for Qld (the majority of which was awarded to regional NRM organisations)
Perhaps more importantly, these costs do not account for the negative impacts, in both the short- and longer-term, of rejecting the project ideas and aspirations of the majority of the perhaps 2000 organisations that participated in the process. The capacities of these organisations and their members were already stretched in terms of retention of staff and local knowledge (Knowledge for Regional NRM Team 2006; Stafford Smith & Cribb 2009 in Ryan et al. 2010), and burnout (Byron 2004; Pannell et al. 2008; Robins 2009). The NRM system can ill-afford the direct costs and foregone opportunities from investing its human and financial resources on an annual basis in about 170 redundant person years, and the loss of goodwill associated with such a high proportion of unsuccessful applications. The Senate Inquiry (Commonwealth of Australia 2010, p. 53) noted the ‘low success rate for proposals that take proponents many hours to prepare’ and that it ‘heard many examples of seemingly worthy projects that had not received funding and of the adverse impacts this had on morale and partnerships.’

The stated intentions of the CfoC competitive grants process contrast with the experience of applicants, characterised by the Senate Inquiry (Commonwealth of Australia 2010, p. 71) in terms of ‘the complexity and uncertainty of the application process’ and ‘the high transaction costs involved in the lodgement of applications, the lack of transparency and accountability in the evaluation of proposals, and the limited feedback available to unsuccessful applicants.’ A true business approach to NRM funding by the Australian Government would recognise the risks in the CfoC approach to the longer-term achievement of program goals, and consider more strategic approaches to building and sustaining partnerships between different levels of government and the community to deliver NRM outcomes.

(7) Widening of the gap between regional bodies and local groups

NHT2 and NAP delivery have been criticised for marginalising local communities (e.g. Darbas et al. 2009; Farrelly 2009), especially groups associated with the Landcare movement (Compton et al. 2009). This marginalisation was largely a consequence of the short timeframes allowed by the Australian Government for regional organisations to submit their NRM plans and investment strategies for accreditation, combined with the approach of channelling most resources available to local groups through regional NRM organisations and into the specific target areas identified in their accredited NRM plans.

Campbell (2009, p. 31) suggested that, ‘[t]he regional model for natural resource management program delivery has undermined voluntary community Landcare in many regions, and governments have failed to articulate how the regional framework relates to volunteerism.’ However, it is important to differentiate between inherent problems with the regional model itself and those due to approaches taken in its implementation and delivery. In 2000, the House of Representatives Standing Committee on Environment and Heritage’s Inquiry into Co-ordinating Catchment Management, argued that, ‘[t]he problems that beset catchment management at present do not emerge from the approach itself, but rather how it has been put into effect’ (Commonwealth of Australia 2000b, p. 38). This sentiment was reiterated in comments arising from consultations with Indigenous stakeholders about the regional model, as stated by Robins (2009, p. 53):
the governing Boards of regional NRM bodies had misinterpreted government policy on the need for targeted investments, getting the message that ‘targeted, large scale projects are needed to deliver landscape-scale change, but not the more subtle message that smaller landcare and community (including Indigenous) projects still have a role to play.’

The concern was expressed that Boards had ‘thrown the baby out with the bath water’ in perceiving that landcare (Campbell 1994) had failed and been replaced rather than complemented by overarching regional arrangements.

Rather than narrowing this gap between regional and local groups, CfoC has failed to provide a strategy or measures for re-connecting, integrating and re-invigorating the activities of local groups with(in) the regional model. The 2009 survey of Victoria’s community-based NRM (CBNRM) groups and networks by Curtis and Sample (2010) – the only state-wide longitudinal study of CBNRM groups in Australia, which has been conducted at regular intervals since 1991 – reported a reduction in Landcare coordination staff from 68 full-time equivalent (FTE) positions in 2008/2009 to 25.9 FTE in 2009/2010, as well as a commensurate decline in project staff from 31 to 13.9 FTE positions (Curtis & Sample 2010, p. 2). Many survey respondents were described as ‘deeply affected’ by both reduced access to project funding and the loss of local group-employed coordinators and facilitators that followed the transition to and implementation of CfoC (Curtis & Sample 2010, p. 2). This scaling back was compounded by reduced investments in research, development and outreach, as discussed in (8) below.

Lane (2006) and Marshall (2008) discussed the imperative of coordination between levels and scales of activity for regional NRM models to work – and Marshall (2009, p. 50) has articulated guidelines for nested community-based NRM under the regional delivery model – but the problem of coordination between local-level groups, such as Landcare, regional organisations, and national arrangements, remains acute. For example, the Regional NRM Chairs noted that, although ‘[t]he Australian Government has recently re-committed to the Landcare program and the landcare community is engaged in developing a vision for its own future’, the proposed independent program within the Department of Agriculture, Fisheries and Forestry is ‘without clear expression of its place in relation to other actors in the NRM system …’ (Ryan et al. 2010, p. 24).

(8) Diminished federal R&D funding for regional NRM

The largest Australian Government program for rural research and development (R&D) is that delivered through the rural research and development corporations (RRDCs), which date in their current form from 1989 (Productivity Commission 2010). The RRDC model, established by the then Labor Government, was ‘premised on the need to give the [R]RDCs operating and financial flexibility and increase the efficiency with which R&D funds were spent’ and designed to ‘better reveal industries’ research priorities’ (Kerin 2010 in Productivity Commission 2010, p. 21). The RRDC model was based on co-funding by industry and government, although one corporation – Land & Water Australia (LWA), now disbanded – was 100 per cent publicly funded, and the Rural Industries Research and Development Corporation (RIRDC) supports a number of programs without a direct industry levy base (Rural R&D Corporations 2006), including multi-partner programs such as the former Cooperative Venture for Capacity Building (RIRDC 2009).
The 2009 federal budget announced the disbandment of LWA, with associated savings of $45.9 million over four years (Australian Government 2009d, p. 85). In addition, RIRDC’s budget was cut by $12.0 million over four years (around 25 per cent of its total budget) ‘through identifying organisational efficiencies and reducing research duplication, while maintaining funding in priority areas’ (Australian Government 2009d, p. 86). The 2009 budget therefore terminated almost all research within the RRDC system that was not matched by industry levy contributions. While some research activities were transferred in whole or in part to other agencies or initiatives (i.e. Tropical Rivers and Coastal Knowledge, Managing Climate Variability, the National Climate Change Research Strategy for Primary Industries, National Program for Sustainable Irrigation, Australian Agricultural Natural Resources Online; Department of Parliamentary Services 2009, p. 93), LWA was the peak body supporting research designed to inform and strengthen the regional NRM model through programs such as the Social and Institutional Research Program (SIRP) and Knowledge for Regional NRM. These programs do not have equivalents (or replacements) elsewhere in the Australian R&D arena.

The 2009 federal budget papers implied that LWA had become redundant because ‘a number of tertiary, public and private sector bodies have been established in the natural resource management research and development field’ since its formation in 1990 (Australian Government 2009d, p. 85). However, LWA was widely regarded as playing a lead role in regional NRM research, development and outreach, and in encouraging and coordinating the input of other RDCs in collaborative research programs in this arena (e.g. National Dryland Salinity Program; Land, Water & Wool; Grain & Graze). The Department of Parliamentary Services’ (2009, p. 87) budget review research paper noted that, ‘[t]he reduction in funding for natural resource management research and the cessation of funding for Land and Water Australia has reportedly drawn widespread criticism from the National Farmers Federation and farm groups, scientists, academics, Indigenous leaders, the Coalition and the Australian Greens’. Despite entreaties from groups such as the National Farmers Federation and the Australian Conservation Foundation (Department of Parliamentary Services 2009, p. 93), the lead entities in initiating the National Landcare Program two decades previously, the government implemented the budget cuts, with a variety of adverse consequences (e.g. Productivity Commission 2010, Box 6.2).

The Productivity Commission’s (2010) draft report on Rural Research and Development Corporations recommended that the Australian Government ‘should create and fund a new non-industry RDC – Rural Research Australia (RRA) – to sponsor broader rural research that is likely to be under-provided by industry-specific RDCs. Though having similarities with the previous Land and Water Australia, RRA’s remit would be broader – encompassing energy use as well as land and water matters’ (Productivity Commission 2010, p. xxv). The Commission proposes a budget of around $50 million per annum (progressively scaled up), ‘with additional funding provided for any research responsibilities transferred to the new entity from other programs’ (Productivity Commission 2010, p. xxvi). This recognition, along with that noted above, suggests that there is a strong case for federal re-investment in R&D to improve NRM outcomes.
Conclusion
The Senate Inquiry (Commonwealth of Australia 2010) remarked that, ‘[w]hile the committee notes the government’s intentions to address the identified weaknesses of previous programs, the evidence provided to this inquiry paints quite a different picture’ (p. 65), and that ‘rather than building on the lessons and achievements of the past, Caring for our Country has placed this legacy in grave danger’ (p. 73). This article has identified eight ways in which the framing and delivery of CfoC has brought about this position of ‘grave danger’ – through its narrower agenda, more centralised control, focus on simple outputs, compromising of state and territory buy-in, reduced and constrained funding, high transaction costs, widening of the gap between local and regional groups, and R&D withdrawal.

During a period when NRM issues such as water, drought and climate change issues have risen to the top of political, media, and community agendas, the recommendations of a raft of evaluations, reviews and inquiries have not been heeded. As Walter Turnbull (2005) presciently warned in its evaluation of governance arrangements to support regional investment under the NHT2 and NAP, ‘[a]ny change to the delivery framework could result in considerable disengagement of the community, and have a significant impact on the level of commitment from the community to provide resources to deliver NRM outcomes under a different delivery model’ (p. 4).

Almost three years into Caring for our Country, these concerns appear justified. This article has highlighted the depth of concerns felt across the NRM community, and by others outside the sector, about the adverse impacts of the return to the more centrally-determined, narrowly-focused NRM investments of the Caring for our Country program. These impacts have not just been adverse for the regional model for NRM delivery, but for national capacity and willingness to address significant NRM challenges. It appears that the new government’s interest in differentiating itself from its predecessor was at least as much responsible for the change of policy direction heralded by Caring for our Country as was any measured assessment of the strengths and limitations of the regional model. The consequent loss of momentum nationally, and the now evident difficulties in recovering past gains, suggest that a more bipartisan approach to national NRM investment strategies (e.g. Campbell 2010) might, as in other areas of national importance, be warranted.

Regardless of the direction that future NRM policy takes, the Australian Government needs to urgently revisit its approach to natural resource management, and commit to decisive and well-informed action to improve national NRM outcomes. We contend that a substantial body of evidence suggests that approaches based on the regional model offer significant advantages for addressing the wicked problems that characterise much of Australian NRM policy and management.

Notes
1. Established under the Natural Heritage Trust of Australia Act 1997.
4. Any estimate is an approximation, given the diversity of proposals and proponents. A conservative estimate of $250/day corresponds to the daily salary and on-costs for a
$50,000 annual salary, which might typify a junior NRM staff member; it is slightly more than the daily equivalent of the Australia-wide average salary of c. $44,000 (2007–2008 figures; ABS 2010). In practice, many bids will require the involvement of senior staff, landowners and volunteers. Some will be much more expensive; others may be less so.

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