

The Hon Stephen Jones MP
Assistant Treasurer and Minister for Financial Services
c/o Budget Policy Division
Treasury
Parkes ACT, 2600
By email: PreBudgetSubmissions@treasury.gov.au; cc: dlo.plibersek@dcceew.gov.au

Level 3 329 Collins Street
Melbourne Victoria 3000

info@alca.org.au

ABN 80 637 680 310

27 January 2023

Dear Assistant Treasurer,

RE: 2023-24 Pre-Budget Submission

The Australian Land Conservation Alliance (ALCA) welcomes the opportunity to provide a 2023-24 Pre-Budget submission to Government outlining the key policy priorities for Australia's private land conservation sector.

Please note that ALCA is happy for this submission to be published in full.

About the Australian Land Conservation Alliance

The Australian Land Conservation Alliance is the peak national body representing organisations that work to conserve, manage, and restore nature on privately managed land. We represent our members and supporters to grow the impact, capacity, and influence of private land conservation to achieve a healthy and resilient Australia. Our eleven members are:

- Australian Wildlife Conservancy
- Biodiversity Conservation Trust NSW
- Bush Heritage Australia
- Greening Australia
- Landcare Australia
- Nature Foundation
- Queensland Trust for Nature
- South Endeavour Trust
- Tasmanian Land Conservancy
- The Nature Conservancy Australia
- Trust for Nature (Victoria)

ALCA member land conservation efforts have influenced over 3 million square kilometres with more than 4,000 landholders. We have over 70,000 supporters and our combined annual turnover exceeds \$260 million. Together ALCA and its members address some of the most pressing conservation issues across the country, including restoring endangered ecosystems, building the protected area estate, tackling invasive species, expanding private conservation finance, and funding and using nature-based solutions to tackle climate change.

Through their active land management, ALCA member organisations are deeply embedded in rural communities and economies, providing jobs, securing significant regional investment, and safeguarding remaining native habitat, with its many positive spill-over effects for community, wellbeing, and food security. We seek to demonstrate the role and value of private land conservation as a cornerstone of the Australian economy.

Some ALCA members are statutory entities; the views expressed in this submission do not necessarily represent the views of the Government administering those statutory entities.

Summary

The accelerating nature crisis facing our nation must be urgently addressed if we are to prevent a sharp decline in Australia’s productivity growth.

As per the Global Assessment Report of Biodiversity and Ecosystem Services issued by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) in 2019, and echoed in the Kunming-Montreal Global Biodiversity Framework recently signed at the COP15 UN Biodiversity Conference:

“The biosphere, upon which humanity as a whole depends, is being altered to an unparalleled degree across all spatial scales. Biodiversity – the diversity within species, between species and of ecosystems – is declining faster than at any time in human history.”¹

Whilst the nature crisis is less well-known than the parallel, albeit interconnected, climate crisis, it is just as serious for our society and economy. A recent report has confirmed Australia’s trajectory towards the collapse of ecosystems² and we have seen the largest documented decline of biodiversity than any other continent in the world³. More broadly, according to the World Economic Forum:

“Humanity has already wiped out 83% of wild mammals and half of all plants and severely altered three-quarters of ice-free land and two-thirds of marine environments. One million species are at risk of extinction in the coming decades – a rate tens to hundreds of times higher than the average over the past 10 million years....

Human societies and economies rely on biodiversity in fundamental ways. ...over half the world’s total GDP – is moderately or highly dependent on nature and its services.”⁴

Using the same methodology, **approximately half of Australia’s GDP has also been demonstrated as having a moderate to very high dependence on nature**⁵.

The scale and devastation that the unfolding nature crisis will have upon our collective wellbeing will dwarf all but the very biggest issues facing our nation and will rival them in importance. As per the British Government’s Dasgupta Review:

“We are facing a global crisis. We are totally dependent upon the natural world. It supplies us with every oxygen-laden breath we take and every mouthful of food we eat. But we are currently damaging it so profoundly that many of its natural systems are now on the verge of breakdown.”⁶

The key findings of the Federal Government’s 2021 State of Environment Report highlight the seriousness of the nature crisis as specific to Australia:

*“Overall, **the state and trend of the environment of Australia are poor and deteriorating** as a result of increasing pressures from climate change, habitat loss, invasive species, pollution and resource extraction. Changing environmental conditions mean that many species and ecosystems are increasingly threatened. Multiple pressures create cumulative impacts that amplify threats to our environment, and abrupt changes in ecological systems have been recorded in the past 5 years.*

*...Our inability to adequately manage pressures will continue to result in species extinctions and deteriorating ecosystem condition, which are reducing the environmental capital on which current and future economies depend. **Social, environmental and economic impacts are already apparent.**”⁷*

¹ IPBES (2019): Global Assessment Report on Biodiversity and Ecosystem Services. E. S. Brondizio, J. Settele, S. Díaz, and H. T. Ngo (editors). IPBES secretariat, Bonn; <https://doi.org/10.5281/zenodo.3831673>

² See: Bergstrom et. al, ‘Combating ecosystem collapse from the tropics to the Antarctic’, *Global Change Biology*, 2021; <https://onlinelibrary.wiley.com/doi/10.1111/gcb.15539>

³ See: DCCEEW; <https://www.dcceew.gov.au/environment/biodiversity/conservation>

⁴ See: World Economic Forum, *Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy*, January 2020; <https://www.weforum.org/reports/the-global-risks-report-2020>

⁵ See: Australian Conservation Foundation, *The nature-based economy: How Australia’s prosperity depends on nature*, September 2022; <https://www.acf.org.au/how-australias-prosperity-depends-on-nature>

⁶ See: p1, Dasgupta, P. *The Economics of Biodiversity: The Dasgupta Review*, HM Treasury, Government of the United Kingdom; <https://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-review>

⁷ See: 2021 State of Environment Report; <https://soe.dcceew.gov.au/overview/key-findings>

Indeed in 2021, Australian scientists confirmed evidence that already 19 of Australia's ecosystems have either collapsed or are collapsing⁸.

Again, **the accelerating nature crisis requires urgent and serious action and reform by Government. The private land conservation stands ready to provide the required uplift for our biodiversity but requires support – and the removal of key policy barriers – to optimise its contribution.**

The recommendations below outline the key policy priorities as at the beginning of 2023:

Recommendations

1. Commit dedicated and sufficient funding to deliver the Government's commitment to protect 30% of Australia's lands and 30% of Australia's seas by 2030 ('30 by 30')⁹, in accordance with the key National Reserve System scientific framework principles of comprehensiveness, adequacy, and representativeness ('CAR').
2. Progress and implement the Nature Repair Market in accordance with the 12 principles set out in ALCA's submission to the consultation on the national biodiversity market¹⁰.
3. Undertake a formal review of Commonwealth taxes upon private conservation landholders and conservation activities, either by Treasury or the Productivity Commission, as aligned to Recommendation 28(d) of the *Independent Review of the EPBC Act*¹¹.
4. Adopt – at minimum – a 50% reduction in CO₂-equivalent emissions by 2030 below 2005 levels, and net zero CO₂-equivalent emissions by 2040.
5. Implement all recommendations of the Independent Review of ACCUs, with particular attention on enhancing ACCU Scheme arrangements to facilitate environmental and community co-benefits¹².
6. Establish a pilot program for Nature-Based Solutions to climate change adaptation and mitigation, building on Australia's commitments as a founding member of the Forests and Climate Leaders Partnership¹³ and signatory to the Glasgow Leaders Declaration on Forests and Land Use¹⁴.
7. Undertake a review of the opportunity for the Commonwealth Procurement Rules¹⁵ to embed a 'nature positive' approach to Commonwealth procurement – namely, an approach that helps restore and regenerate species and ecosystems rather than aiding in their decline.
8. Ensure that the operating environment facing land conservation employers is, at the very least, agnostic rather than discriminatory. This means:
 - a. extending the Fringe Benefit Tax (FBT) concessions currently afforded to organisations with Public Benevolent Institution (PBI) status to environmental charities, especially those undertaking on-the-ground environmental management;
 - b. extending tax relief measures currently afforded to agricultural land-use to conservation land-use (see Recommendation 4 above); and
 - c. reversing the university funding penalties upon environmental studies implemented under the 2020 Job Ready Graduates package.

⁸ As above, n2

⁹ As outlined in a separately provided, detailed joint submission.

¹⁰ See: 16 September 2022; <https://alca.org.au/alca-submission-on-a-national-biodiversity-market/>

¹¹ See: <https://epbcactreview.environment.gov.au/resources/final-report/chapter-8-planning-and-restoration/84-government-effort-alone-not-enough>

¹² As per Recommendation 13; <https://www.dcceew.gov.au/sites/default/files/documents/independent-review-accu-final-report.pdf>

¹³ See: Joint media release: *Australia joins forests partnership to drive climate action*, 8 Nov 2022; <https://minister.dcceew.gov.au/bowen/media-releases/australia-joins-forests-partnership-drive-climate-action>

¹⁴ See: 2 November 2021; <https://ukcop26.org/glasgow-leaders-declaration-on-forests-and-land-use/>

¹⁵ See: <https://www.finance.gov.au/government/procurement/commonwealth-procurement-rules>

Thank you again for the opportunity to provide the Government with a 2023-24 Pre-Budget submission.

ALCA and its members look forward to ongoing engagement with the Government to maximise the social, economic, and environmental opportunities that can be delivered by a strong private land conservation sector.

Australian Land Conservation Alliance