

The Total Tool Kit

Paul Martin

Kerry Lonergan:

Now our next guest has an address titled intriguingly The Total Tool Kit. Professor Paul Martin is the Director of the Australian Centre for Agriculture and Law at the University of New England, and over the last nine years he and his team have been researching rural natural resources governance and, in particular, considering the types of legal and institutional changes that will have to be made to respond to an increasingly more complex world.

Ladies and gentlemen, would you please welcome Professor Paul Martin.

Paul Martin:

So I'm going to take you on a slightly different journey. There are two documents that you've got, one is the handout that we've just put down—I'm not going to use overheads. And the second is a document in your package called Summary of Evaluation of CLM. So I'm going to deal with the first document first, and then Andrew who did most of the research on the evaluation will be available to answer any difficult questions you want to ask.

So what I want to do with this is just to draw some links between what's happening big picture/international down to what's happening on the ground with CLM because it relates to some of the question about Where do we go to from here? What are the kinds of tool kit issues? So firstly, what are the sorts of things that we're doing at the moment, and why do they link? We've got five activities that we're doing, all of which are addressing basically the same questions that we've asked to discuss today: What needs to happen to improve environmental and animal welfare management? And how do we get what needs to happen to happen? There are a lot of people concerned with that set of issues all around the world.

So the IUCN, the International Union for the Conservation of Nature, has now started evaluating, does environmental governance work? Because there are lots of questions about whether it works, and in many examples where it's not. The second thing we're involved in is looking at Australia's landscape governance system and trying to work out in future what sort of system are we going to need to deliver production value and sustainability, and of course benefits to people. The third thing, I lead a program for the Invasive Animals CRC called Facilitating Effective Community Action. Because just as has been raised here today, a lot of us are coming to the realisation that the only way you can get stuff to happen is by saying it has to be led by community. And that's for all sorts of reasons including that basically government doesn't have the power to do many of the things that it would like to do.

The other initiative is the United Nations has a Sustainability Insurance Initiative, where sitting around the meeting room table there are around \$13 trillion, that's just those at the table. And they're trying to work out, how do we advance sustainability? They would only need to flick a little finger to swamp any amount of Australian Government money, and the power that they have to influence industry is far greater than we could ever achieve through regulation.

So we're involved in those various activities, and I still can't give you the direct answer to the two questions. But I can point you in some directions and I can certainly highlight some issues about where CLM and other programs might possibly fit. So the first thing you've got in the handout is you have a strange looking table. Now unfortunately it didn't duplicate as well as I would like, but I want to highlight something: If you look at the table you'll see there

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is a private realm, which is the bottom part of the table, and a public realm. This is how the expectations of rural land management have been changing. So if we look in the private realm, you can see that we've gone from pioneering ideas through to focuses upon efficiency, biosecurity, sustainability etcetera. We've added expectations and policies and programs and systems at each of those levels. And in the public realm, same sort of thing. We've gone from a pioneering mentality through to now the latest issue is climate.

That is clearly not the end of the expectations. I don't know what the next sets of expectations are going to be, but I know there will be more. So what we've seen in the last 40 years is that government got more actively involved, only really in the last 40 years. Prior to that, we had lots of regulation though not as much as we had since the 1970s—we had soil conservation, we had rabbit control, we had some farming extension. That was sort of it. Then in the last 40 years we had an explosion of regulation, so there are now 22,000 laws around the world associated with environmental law. There are, in Australia, probably about 300, probably; our last count was some years ago. We have now the explosion of market instruments—carbon markets, biodiversity trading, all that sort of stuff on top. And we have an explosion of various forms of industry stewardship.

The roles that we have expected are changing a lot. I speak to a lot of people who now feel pretty bad about what our Federal Government is doing in terms of withdrawing support for Landcare, and making all sorts of programs, all sorts of expectations no longer viable. But in the context of that history, government involvement at the level it's involved in the last few years is really a blip; it's not the norm. And industry 40 years ago was nowhere near as heavily involved in trying to advance sustainability as it is today. So while one part of the program is arguably getting weaker, other parts of the sustainability and related programs are getting stronger.

So the point is, how we are going to govern for—sustainability, animal welfare, social justice, whatever issues—is radically changing. We're

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not seeing it because it's occurring in little bits all over the place but it's radically changing. So the question I'll come to in a moment—Where does CLM fit in that very big context? There are some other drivers: so we have variable landholder capacity, public resources are shrinking and will continue to shrink—if you just read the intergenerational reports, it's been obvious. As Tony says, I've been batting on about that for some years; that we just have to expect that's going to keep shrinking. Market incentives are generally weak, and the resources to support sustainability or other programs is variable. Different landholders have different attitudes to stewardship, so do different industries. We have increasingly intrusive external oversight—and that's just going to continue to grow. And consumer attitudes are really interesting. For some people they create economic opportunities and for some people they create nothing but problems because the consumers expect you to deliver cheap product that's ethically good.

There are two new drivers that are emerging that I think we should be aware of: First is the chaotic effects of climate change. Now I don't really care whether you believe or disbelieve; I don't think climate change is a matter of belief, it's a risk issue. But even if the climate doesn't change radically, policies have, all around the world. So regardless of the physical science effects of climate change, we have a policy turbulence that's come from that and that's not going to go away. And the last one, and the fascinating one to me, is that we now have a significant contest over who will govern: Who will govern for the environment? Or who will govern for animal welfare? So we see that industry is pushing into spaces that government has for the last 20 or 30 years dominated. And is doing it far more effectively.

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If you look at what's going on at the moment, ISO 14001, Life Cycle Assessment, those industries, like the automotive industry that use it, they go right down into the production details of every component. Government could never do that. And it's been done without regulation, without government regulation, but being done by private regulation. We have the current contest between a round table and a square table, which seems a rather trivial way of putting it, but it's a contest over who is going to govern the voluntary side of beef

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sustainability. Lots of fighting going on.

So then we come to, what's going to happen next? Firstly, it's not going to get simpler, it's not going to suddenly resolve itself. Secondly, government is not going to, in the short term, re-engage in the space that they're abandoning. So it's going to be a really messy space for a while. But if Australia wants to be effective, if Australian agriculture wants to be effective in the space, it's going to have to try and find a way of navigating through that mess. What resources will we need then? Firstly, we have to get over the idea that government governs. We are now in a world of negotiated governance—messy, complicated trade-offs. You can't negotiate if you don't speak to each other. Unfortunately, government particularly is very loath to engage with the other actors in trying to negotiate governance. Government generally has not realised how much the world has changed. So the first thing we are going to need is new skills and new approaches in government to negotiate with organisations like CLM and various others about a governance system that will work.

Secondly, we are going to manage things differently. A lot of people think about control as being about regulation, it's less and less about regulation, more and more about partnerships. And the sort of instruments we're going to use will be quite different.

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So now we come to, where does CLM contribute? In a moment we're going to highlight some results from a survey of some evaluation

work we've done on CLM, which shows that it does make a contribution. But more particularly, CLM at least is occupying some of the space for those negotiations. It is in a position where, by virtue of a lot of hard work by a lot of people and a lot of focus of maintaining the integrity of what they're doing, they are credible brokers, credible people that can talk about where we want to take governance. And I think whilst the contribution to individual landholders is very important, for me it's the potential to contribute to a governance system that might work that's the real value of CLM.

So now we want to turn to the issue of the survey work. And Andrew will answer any questions about this; I'll just briefly outline what we did. We were asked basically to try and identify objectively what does CLM do? Does it work in terms of changing the thinking and the behaviour of the landholders who participate? Now this is a fairly radical step because I am not aware of any other serious attempt to do an evidence-based evaluation of what these kinds of programs do to the behaviour and the attitudes of those who are involved in them. And it's a fairly brave

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step because it could have out saying that it did nothing. Thankfully it didn't come out with that outcome.

So there are a few questions that we, in this two-pager, have answered: Does CLM have design features that make it likely participant landholders are able to deliver improved environmental and animal welfare outcomes? And we've objectively identified that it does have some structural features that based upon theory and literature and other experience says that it should be delivering some tangible outcomes. Secondly: Are CLM landholders proactive and future-oriented? The results do suggest—whatever the cause—that people who participate in CLM have a significantly different set of attitudes than those who don't.

Third: Are they receptive to interactions with external stakeholders such as governments, environmental and animal welfare NGOs? And are they willing to expose their operations to outside scrutiny? The answer to that is, broadly, 'yes'. Do they believe that CLM was helping to achieve outcomes beneficial to the public interest? Broadly, 'yes'. What does this mean for a government or private organisation? Well, that's part of the next question: How can we exploit this to the benefit of the public? Because that's where I come from—public policy. What can we do to leverage the opportunity if it's been created by a lot of hard work by a lot of people?

So I'm not going to take you through the answers to those questions in detail but I'm going to ask you to quiz Andrew who did most of the fieldwork and a fair bit of the analysis on the results from that survey work, from that analysis work. So it's up to you guys. Ask a couple of questions. Tony, you'll have to tell us at what point we should shut up. So we've got a couple of minutes for questions?

Tony Gleeson:

One of the problems of being involved with a thing like this for so long is that you can't see any other truth and, of course, people then start to think that you're not credible. Which is why I got Paul and Andrew to have a look at CLM. And it has been a difficult process and to

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be frank, I think part of it is...one of the things I want to say is that CLM doesn't fit into any little box too much.

I mean, we have had an enormous public debate about the role of certification, particularly in the beef industry, in the last few months. And one of the reasons I asked Bart to talk today was to just give you the sense of the practicalities of CLM—he went into lots of detail, which was good, because it's always important for credibility.

But the simple message is that CLM is really a coat hanger for lots of different shirts or coats. There are lots of different aspects to it: I mean, we can talk about that it's a good framework for the metrics, if I can call it that. You know, the actual, the metrics of ecology, of soils and plants and animals. We can talk about it being a forum within which people talk to each other. We can talk about it being a forum, as Andrew mentioned in terms of how governments work, and it's a tool for government. And in my view, all too often though we start with a talk about the consumers aren't prepared to pay for the differentiated product.

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And that's part of the equation, although I challenge that assumption.

So it's a whole lot of different things for different people. And the important thing about it is that we retain that breadth, and I think the work that Paul and Andrew have done—well if you read the full report, which I'm not going to recommend to you because I hope you've got lots of things to do, but for those who are vitally interested in this issue it will be a document that is extremely valuable but it's not for everyone in the pub. But essentially, we need to escape

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the presumption of what these things are about and look at the attributes of the things, of the systems that are evolving. And they are much broader than it being a market-based instrument; it's much broader than being an on-farm productivity thing. It's all of those and the relative importance of those things differs between different producers.

That was just a general splatter. But I think we need to retain the breadth of this business because we've got to make sure that it delivers more benefits than costs.

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Jock Douglas:

Just one question to you Andrew, and I picked up then not recalling the report but going from you: Paul, the CLM landholders you've found had quite a different attitude to the non-CLM landholders. Now I've dealt with a lot of landholders over a lot of years, and I didn't find those people any different, much. My question is then: Have we changed their attitude? Did it change? Can you measure exposure to CLM—is that changing the attitude?

Andrew Lawson:

That's a very good question and it's one that has followed us throughout the whole evaluation, and it's one we can't answer. So we can't say whether CLM took a group of landholders and changed them and turned them into more environmentally focussed or animal welfare focussed landholders, or whether CLM attracted good landholders in the first place. And, no, I can't make that distinction for you. At the end of the day, I suppose my attitude is it probably doesn't matter. CLM is like a filtering device. It has filtered out a group of good landholders and that's useful for collaborators. So if you're—and I'm thinking of collaborators in terms of government or private industry or environmental and animal welfare NGOs; CLM has filtered out those landholders who are likely to be more amenable to a collaboration.

The other thing I think that CLM does for—let's assume that it's attracting good landholders rather than turning ordinary landholders to good landholders, but if we assume that, then there still is a role for frameworks that allow good landholders to do good stuff. And I think Bart pointed out the framework and the process structure allows good people to do even better work.

Paul Martin:

So to highlight, the question of attitude and change to attitude is always messy because you can't tangent measure it. What we can measure more reliably is: Does it give people better knowledge? And, for example in relation to regulatory issues etcetera, it's clear it does. So it has that, that's a measurable thing. And secondly: Does it lead them to making decisions to change their practice? That's again an objective thing—'yes'. And is the pattern of those decisions different? We can say that 'yes', but the attitude issue is a messier one, it always is.

Ian McConnel:

I'll give Jock credit for asking an exceptional question, that was my question. I'll challenge the assertion that it doesn't matter, because it might be a filtering device.

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Is it okay to simply filter good from bad? Or as an industry, for the environment, for animal welfare, do we actually, hopefully, need to change people? So I think it's an important question to try and find an answer to: Does CLM change? Because if it does, it becomes a far more powerful message, especially for public funding.

Paul Martin:

Andrew, before you respond to that, let me highlight what is fascinating to me is that there are all these programs out there and so far as I know this is the first serious attempt to say what does it do at the level of the behaviour of the individual? So, you know, I just highlight that because I think it's a key thing.

Andrew Lawson:

In response, it's a really good question and one I hoped to answer but it'll have to wait for another type of evaluation within the confines of how we conducted the evaluation; that wasn't a question we could answer categorically.

David Walker:

Thanks Paul. In terms of the spark that causes people to make change, I think the basic thing is dissatisfaction with the current system. And there are a whole lot of, you know, CLM, holistic management, Soils for Life, all of these seem to be a hub that interested landholders are sort of coalesce around and start to drive change. Which is really important, so are there similarities with the Soils for Life and the...?

Paul Martin:

No idea. We can't find comparative evaluations. That's one of the things that's quite different about this, it's a genuine attempt to find out objectively what's going on and what's happening. We can't find those for the other programs. They may exist, they may have been done, but we haven't been able to find them. But I do want to highlight something: there are very clearly cause/effect relationships in this; it's not just a filtering in the whole thing. I mean, there is specific information that is provided to specific landholders, they then take that, they analyse in relation to their site, they develop plans, they implement those plans—those things are evaluated.

Our evaluation didn't go through that whole cycle. It would be wonderful to do that whole cycle, and I think we would find outcome effects. But we certainly can say that there are effects upon the consciousness and the decision-making. We can at least say that as an objective fact. Beyond that, how it gets translated, that does require further work at some other time.

Okay, so I'll close off. Sorry, there's another...

Tony Gleeson:

Can I just make a comment, which doesn't relate to that but it's my prerogative basically. One of the fundamental things that we haven't talked about much today is which standards you use for a verification system. And we talked about the 80/20 and all sorts of things. It's fundamentally important to realise—whether or not you like it or not—that the standard here is fundamentally a continuous improvement standard. And so when I look across the creek at the farm like I told some people at lunchtime, and I see my neighbour who's a lovely bloke but an environmental vandal, you wouldn't want to exclude him from a continuous improvement program because the potential is enormous.

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And so we really do need to give a lot of attention to the nature of the standard that we

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use for verification. And there are really only three options: One is a process sort of approach. One is a practice sort of approach. And the third one is an outcome sort of approach. And basically in CLM what we’ve done is combine process and outcome, and we avoid the prescription of practice for 21 good reasons. But whilst ever we have a significant use of continuous improvement as an outcome, I think it’s open to everybody and that, I think, is a very significant factor.

Paul Martin:

So we have one final question, which I’ll try and answer quickly because I know we have to get off.

Clare Hamilton:

All right. Just really quickly—and I don’t know if you will be able to answer it Andrew. You talked about the likelihood of participants being able to deliver improved environmental animal welfare outcomes. Were you able to pick up whether they went out and sought some sort of self-improvement? Did they go and seek something outside of the CLM process to improve themselves or their processes or what they were doing on-farm? Does that make sense? Do you understand?

Andrew Lawson:

I’m not 100 per cent sure of the question. Did they...

Clare Hamilton:

I guess what I’m saying: Was it just the CLM process that led to an improvement or did they go out and seek some sort of self-improvement? Did they go and attend more courses or undertake additional study or learn from other people? What was the process?

Andrew Lawson:

I don’t think I could answer categorically. But what I would say is—and I should say we only interviewed a relatively small group—but what I would say of those CLM members that we interviewed, those most excited about CLM were ones who combined it with other programs. So they weren’t expecting CLM to do everything for them, to give them a price premium, to delivery every benefit under the sun. They were using it strategically with other programs, and those other programs could have included RCS or Allan Savory-type programs—in one landholder’s case it was an organic certification; in another landholder’s case it was combining CLM with this landholder’s interest in social media as a way of explaining and demonstrating his operations.