Integrating land based management systems-five easy steps¹

Tony Gleeson² and Chris Reid³

Jane Lovell got it about right in the March edition of Australian Landcare.

"Time and time again producers tell us that they are not happy with multiple systems and multiple audits ---"

And why should they be when they don't need to be?

The great thing about discussing integration of management systems today is that we have here many of the responsible industry organisations and government departments. It is they who could reduce the fragmentation, it is they who could reduce the excessive costs and it is they who could improve effectiveness. Iron ically some of these organisations are here with support from Elders which, along with many regional NRM bodies and other agribusiness companies, advocates a whole-of-farm approach to environmental management.

Land based systems are complex. They involve biophysical, economic and behavioural aspects. They are dynamic, they are interactive, and they are variable.

The question for this conference is: how can organisations external to the land management unit, organisations in the public, private and community sectors, best assist landmanagers working with this complexity, at the dirt face?

We need elegant yet practical solutions that take account of this complexity and variability.

We don't need the simplistic thinking inherent in the 'keeping it real' jingoism of this conference. This is the sort of thinking that leads us to say "we won't do it, the benefits aren't there, let's dumbit down".

There is a widely held belief that there are no drivers for improving environmental management. This is a silly place to start. Initially there were no markets for tractors, for computers, for mobile phones, for desert limes, for all sorts of cheeses. But innovative imaginative and creative people developed these products and consumers

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² Executive Director, ALMS Group: <u>syncors@bigpond.com</u> http://alms.org.au/

³ Manager-Land Stewardship, North East Catchment Management Authority. chris.reid@neomavic.govau

⁴ Australian Wool Innovation; Dairy Australia; Grains Council of Australia; Meat and Livestock Australia; Horticulture Aust Ltd; Tasmanian Quality Assurance; Winemakers Federation of Australia

flock to buy them. In the same way, we need to enable a market for improved environmental management.

The primary constraint to improving environmental outcomes is that, as landholders, we are not motivated to do it. We aren't motivated because the intrinsic satisfaction from doing it, and the extrinsic rewards from having done it, are not adequate. Consequently it is critical that the chosen EMS leads to recognition, recognition by the land manager herself, recognition in the market places and recognition by all the external organisations that have an interest in improving environmental outcomes. In turn this recognition will increase motivation to give us the classical positive feedback loop.

And we don't need the fragmentation inherent in the 'one size won't fit all' mantra that leads us to environmental management systems industry-by-industry.

There are many reasons why we should **NOT** have environmental management systems agricult ural in dustry-by-in dustry:

- About 40% of Australia is not used for agriculture.
- Most Australian farms producing most production operate two or more industries. Managers do not want to have two or more EMS, and the industry mixes on in dividual farms change over time.
- Generally the environmental impacts of different industries are not quarantined to particular parts of properties or even to the whole of a property.
- Training, monitoring and auditing are more efficient when done across industries.
- Catchment management and NRM or gan isations have to manage across all industries within their region. They don't have in dustry specific plans.
- Suppliers of farm inputs and the marketers of farm products generally are not limited to a particular in dustry/product.

Some markets and/or catchment management authorities require particular environmental performance outcomes. These requirements can be more easily accommodated within a core system than by creating many different systems. Additionally dealing one by one with particular markets, or even with particular buyers within a market, reduces the flexibility and selling power of the producer.

Some commentators, including the NFF and DAFF, have argued that we don't need a 'one size fits all solution'. But well designed EMS, such as the ISO 14001 system, possess a high degree of flexibility. They deal equally well with across-industry and industry-specific issues.

The primary reason why we proceed a gricultural industry-by-agricultural industry is that our agricultural organisations are structured as lots of little silos. There is talk of collaboration but very little integration when it really matters. This is the way these organisations get funding and this is the way that politicians win credit points - all at the expense of taxpayers and the landholder trying to deal with multiple systems and multiple audits.

So against that back ground what are the five easy steps?

Step One: Limit the coverage to systems requiring external auditing

The first step is to avoid getting involved in those aspects of the business that are the sole responsibility of the individual business unit. These don't warrant public support and they don't require external verification. By-and-large this is where the issues are largely commercial, where there is no market failure, for instance in financial management, in succession planning in production, and broadly in marketing

So put to be donce and for all the idea that we need an all encompassing Property Management System with up to 32 modules, as has been considered by committees under Ministerial direction. It was a dudidea from the start and it has gone nowhere. We need to focus on environmental management, on OH&S, on foodsafety, on animal welfare and to some extent on QA, and we need to do it in ways that take account of broader commercial and other considerations.

Step Two: Choose the issue with the broadest applicability as the foundation

The second step is to choose the foundation issue - the issue that has the broadest applicability to the land manager.

The main management issues that warrant inputs beyond the individual farm are to do with environment, OH&S, food safety, animal welfare and possibly quality assurance. OH&S sits in the middle but food safety, animal welfare and product quality are almost exclusively industry, product, or product chain specific considerations, and they need to be dealt with on that basis.

Environmental management cuts a cross land uses and agricultural enterprises and it cuts across properties to deliver landscape products. It has broad applicability and in our view it should be the foundation issue.

Step Three: If it isn't an EMS, don't call it an EMS

The next step is to ensure that, if we are to have environment management systems, then we define what they are and we don't call other approaches environment management systems. We can't get cross recognition across EMSs if they aren't EMS. You can bulk up similar quality oranges but you can't mix oranges and lemons

An environment management system is a systematic process to continuously improve environmental outcomes.

BMP approaches like the Cotton BMP are not EM S_i voluntary land holder surveys, like Landleader, are not EM S_i the EM BP approach adopted in Victoria is not an EM S.

These might be useful activities but they are not EMS and they do not present a foundation upon which to integrate management systems.

Step Four: Use a well designed EMS

We need to define the minimum design requirements for an EMS.

This could be contentious but it seems to us that to be effective and credible, an EMS needs, at a minimum, to be who le-of-farm, catchment linked and externally audited by an accredited auditor.

Step Five: Use the best technology

We need to ensure the taxpayer and industry funded activities to support EMS are effective, cost efficient and enable integration of other requirements, such as OH&S, catchment issues, food safety and quality assurance.

In short, this means the use of some form of soft ware and we think it ought to be web based.

You would have to be bonkers to develop and audit an EMS using a paper based system. We have tried that and it is too expensive, it is too demanding on management time, it is too inflexible, it does not enable efficient up grading and auditing, and it is boring. A gencies which have advocated against use of soft ware products ought to be held accountable for their advice.

And it would be particularly silly to go to a paper based system for an EMS integrated with, for instance, OH& S, QA, food safety and animal welfare.

Conclusion

Ham mers are for hitting nails and screwdrivers are for screwing.

To get the job done, we don't need to invent a 'hammer-screwer', we just need to keep the right tools in the same box and not clutter it up with a lot of tools for different jobs, jobs for which community inputs and verification are not required.

The 'box' is the thing It has to constructed so we don't have duplication of data sets, we don't have duplication of audits and importantly that we don't lose sight of the purpose. The purpose for EMS is to improve environmental outcomes.

In a 1989 report on agriculture and the environment the OECD¹ stated that integration is achieved when the anticipated direct, in direct and interactive effects of activities are taken into account when activities are developed, implemented, monitored and evaluated.

In his 2000 address to the 1^{st} Australasian Natural Resources Law and Policy Conference John Burton neatly captured the spirit of integrated management:

"Integrated management is not about amalgamation or unification---and it is not about trying to do everything at once ---it is about seeing the Big Picture and making individual decisions within the context of that big picture."

The overall objective of integration, as stated by Dent (2000)ⁱⁱⁱ, is to achieve higher levels of efficiency by maximising synergistic interactions and minimising antagonistic interactions between uses, users and sectors. With the exception of the Gipp sheef, Best Farms, the ALMS Group and maybe a few others, we have done just the opposite.

We have tried to squeeze new functions into existing structures.

We have designed systems based on the lowest common dominator instead of supporting innovators, instead of supporting leaders.

We talk glibly about the need for government to redress market failure but in this area we have compounded market failure with ill conceived and poorly designed government intervention.

We can do much better. But we will have to shed our organisational shackles. For that to happen we need grassroots landholders and innovative CM A and NRM Boards to insist that we do so.

ⁱ OE CD (1989) Integration of Agricultural and Environmental Policies.

ii Burton, John (2000) *Integrated Catchment Management: The Way Forward*, 1st Australasian Natural Resources Law and Policy Conference, 27 & 28 March 2000, Canberra.

Dent, D.C., et al (2000) A Geological Systems Approach to Understanding the Processes Involved in Land and Water Salination, www.agso.gov.au/pd ffiles/resn.ews/rn32_lawrie_etal.pdf