

TRANSCRIPT

LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Securing the Victorian Food Supply

Geelong – Tuesday 21 May 2024

MEMBERS

Juliana Addison – Chair

Martin Cameron – Deputy Chair

Jordan Crugnale

Daniela De Martino

Martha Haylett

David Hodgett

Nicole Werner

WITNESS

Dr Mat Hardy, Nature Markets Manager, Trust for Nature.

The CHAIR: We are back for the public hearing in Geelong looking at our public inquiry into securing Victoria's food supply, and we are thrilled to have you here with us today. I will just run through some important formalities before we begin.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege.

You will receive a draft transcript of your evidence in the next week or so for you to check and approve. Corrected transcripts are published on the committee's website and may be quoted in our final report.

Thank you for making the time to meet with the committee today. Could you please state your full name and title and make any opening remarks that you wish to.

Mat HARDY: Thank you, Juliana. It is so great to be here. Thank you for inviting us along. Mathew Hardy. I am the Nature Markets Manager at Trust for Nature, and I have got an opening statement that I whittled down to 5 minutes. It might be a little bit over by seconds.

The CHAIR: No, talk away. We are keen.

Mat HARDY: Thank you for having us. Trust for Nature permanently protects Victoria's unique plants and animals and the diverse habitats they need to survive. For over 50 years Trust for Nature has been working with private landholders across the state to protect important habitat forever. We are a not-for-profit organisation set up under Victorian legislation, empowered by the *Victorian Conservation Trust Act* to do a number of things including placing conservation covenants on private land. Trust for Nature is a charity and relies on donations from the public to do the important work that it does. Together with conservation covenants and reserves we have protected more than 110,000 hectares permanently across the state. Putting a Trust for Nature conservation covenant on private property is one of the most important things an individual landowner can do to protect nature in Victoria, and that includes to address climate change.

What is a conservation covenant? A conservation covenant permanently protects and conserves private land with natural, cultural or scientific value. It restricts activities that may damage native habitat on the land, such as clearing, intensive agriculture or subdivision. It does not lock up the land. This is a common misconception. Instead, compatible land uses are still allowed. Different areas of the covenant can be zoned to allow for different purposes – for example, residential purpose, conservation purpose or sustainable use. Each covenant comes with an active management plan to guide the activities on that land and is also supported through Trust for Nature's stewardship program, where we offer regular visits and technical advice to landowners from our expert staff and also provide updates to the covenant management plan to maintain conservation values. Other on-title agreements, such as section 173 or section 69 agreements, do not offer this stewardship program. It is an important distinction. A conservation covenant lasts forever – that is a really long time – providing landholders with peace of mind that the land that they protect will remain protected forever even if the property changes hands. From the beginning of this year, land protected by a covenant is exempt from land tax. We know that there are thousands of landholders across Victoria who are passionate about nature and want to take practical steps to make a positive impact on biodiversity in their own backyard, and this includes in peri-urban and agricultural landscapes. In our view, farmers are an essential part of protecting Victoria's environment, and around three-quarters of our conservation covenanters occur in primary production landscapes.

The key points for this inquiry – the trust supports a strengthening of the legislative and policy framework in relation to green wedges and agricultural land, particularly those that prevent incremental degradation of our natural biodiversity and cultural heritage values. Trust for Nature's covenants are a valuable statutory tool for protecting conservation heritage and scientific values on private land and should be explicitly identified through this inquiry as a viable option for reducing the impacts of urban sprawl and population growth and supporting the preservation of farmland and natural values. Covenants can be used to permanently protect priority patches of remnant habitat on private land, including in peri-urban and growth areas, underpinned by the trust's stewardship program. Covenants are also effective tools for retaining open space values and demonstrating best practice conservation management. While covenants are not a substitute for the whole-of-landscape approach

offered by the planning scheme, they do survive future changes to the planning scheme, ensuring that properties or landscapes of particularly high value can be guaranteed protection in perpetuity.

On agricultural land Trust for Nature's covenants are also sufficiently adaptable they can assist in the securing of agricultural land, and they may be particularly useful in green wedge and strategic agricultural landscapes, providing permanent protection alongside continued sustainable farming activities. Applied in this way, the covenant could offer a tool to provide food security, embed best practice sustainable farming and prevent the loss of public and private investment in private land and differentiate leading farmers to the market.

How can we support landowners to adopt covenants? Currently the majority of landowners stewarding a property for conservation purposes pay council rates. In some instances rates concessions are applied by council, but these are rare and their application is inconsistent across the state. A simple reform to the *Local Government Act*, for instance, to exempt covenant land from rates would recognise the public good that private landholders in agricultural landscapes provide through the protection of biodiversity and cultural heritage and also serve as an incentive for other landowners to manage their land for conservation in support of Victorian, national and international environmental and cultural legislation, regulation and policy. We also note the government's target of permanently protecting an additional 200,000 hectares of priority conservation land in Victoria under the *Protecting Victoria's Environment: Biodiversity 2037* strategy.

Why our work matters to this inquiry: in Victoria, Australia's most developed state, 62 per cent of the land is privately owned. Vast areas of native vegetation and natural habitats for native plants and animals are under threat from land clearing, overharvesting, changing climate and population growth. A hugely important part of our work is in peri-urban and farming areas in Victoria to address these threats. Sustainable agriculture relies on healthy landscapes, as we know. We urgently need to scale up our efforts in these areas to protect, conserve and regenerate Victoria's private land before it is gone forever.

The CHAIR: Thank you very much, Dr Hardy. Who would like to kick off the questions? Are you a Mat or a Dr Hardy?

Mat HARDY: A Mat, please, but I will not be offended either way.

The CHAIR: Great, but still a Dr Hardy.

Nicole WERNER: I am happy to kick off.

The CHAIR: Terrific. Thanks, Nicole.

Nicole WERNER: Thank you for that explainer to begin with. Could you explain further how conservation covenants currently operate here in Victoria? What does that look like in practice? Even giving us a case study would be quite interesting.

Mat HARDY: Sure. We adopt this tool, this instrument that is registered on land title, to protect natural values. Typically it comes through public grant programs, but we also have philanthropic and private investment to help us do what we do. Generally, the process is somebody would like to protect their land for nature. We go out and assess that property to make sure it fits our requirements under our legislation. We then have an approval process. It goes through to the minister for approval, and then we can register that covenant on title forever. Alongside that covenant deed, which is what gets registered on title, we have a covenant management plan which guides the activities that can happen on that land. Typically we identify what the conservation assets are. We identify what the threats are to those assets and then figure out the actions that the landowner can take to mitigate the threats to those assets. I could talk for hours, but is that kind of a –

Nicole WERNER: That is great. Could you give us an example, perhaps in metro Melbourne, of one, just for context?

Mat HARDY: Yes. So we have – I think I have got a number here – 64 covenants already in the green wedge zone, kicking off largely in the 80s but right through to today, and we have got just over 760 hectares protected already. An example would be through our revolving fund program, for example. We went out and purchased an important bit of land around Emerald. We put a conservation covenant on title, and then we sold that to somebody who is going to look after it, and we will use the proceeds from that sale to go out and do it

somewhere else. That is an example of how we get a covenant outside of competitive grant funding where we can encourage landowners to uptake our covenant.

Nicole WERNER: Great. Thanks for that.

The CHAIR: Mat, can I just ask, and it is my curiosity going wild again: if a family decides that this is what they want to do and a generation or even the next generation go, 'We don't agree with this; we see this as quite lucrative' – you talk about it being forever – can generations into the future say, 'We don't like that,' or are they really so fixed, the protections that are there?

Mat HARDY: Great question. They are fixed; they are permanent. We are not unreasonable in our interpretation of the covenant deed, but it stays there forever. Yes, we do not have many instances at all in which we have taken it off title, and for those that we have, there has been another permanent protection solution – for example, the land has gone to the Crown to look after in a public estate. So it is permanent – it stays there – and we have to steward, as we call it, that covenant with whoever takes that land on in the future to make sure that it is looked after in accordance with that covenant deed, yes.

Martha HAYLETT: How are traditional owners a part of the process as well? As the application process, do you go to the local TO and talk it through – 'Do you want some use for this land the future'? How are traditional owner groups factored into the process?

Mat HARDY: It is a wonderful question. There are a couple of approaches to this. Recently we have adapted our template deed of covenant to allow for cultural practice whereby a private landowner may wish to have traditional owners come on and care for country on their property in ways that make sense for the traditional owners, and we do not want to get in the way of that, so we are making that really explicit in our standard deed. If a traditional owner group was the owner of the land, we would want to work with them to make sure that the covenant fits their needs as well, so we would take a position where we could switch out the covenant deed to something that makes a bit more sense for traditional owners, recognising that there may also be other ways to permanently protect that land if that is more fitting for what they want to do with it. So depending on the circumstances, we could approach that in different ways. It is a great question, though.

Martin CAMERON: Mat, you may become a very busy man seeing that it is protected from land tax. You may have a few people seeing if they can get this in place. How long does the process take? If I want to protect something – and probably before you sat down and started talking I would not have even known that this existed for us – how long does the process take from when I decide I want to have a look to it actually being protected?

Mat HARDY: That is a wonderful question. Thank you, Martin. It can take up to 18 months generally. A lot of that is resource constraints. We can do a pretty fast and efficient version when the funding is there in about six months, and that includes the ministerial timeframes to sign off on the covenant, which is a large part of getting it across the line. So we can work really fast, and then it sits with the minister's office to sign off on, and we would need to push that as hard as we can. But I would say somewhere between six to 12 months is the usual timeframe. We would love to go faster; if we had resources, we could definitely do it faster, yes.

Martha HAYLETT: Is that the Minister for Planning?

The CHAIR: I was going to say the same thing – or the Minister for Environment?

Mat HARDY: The Minister for Environment, yes.

Martha HAYLETT: Okay. So it does not have to go to both?

Mat HARDY: No, just the Minister for Environment. After it goes through the ministerial approval process, we finalise the deed and register it on title at the land titles office.

Martin CAMERON: And how many are you looking at and doing per year?

Mat HARDY: We are in the realm of 40 to 50 at the moment. Through the Victorian government's BushBank program, that is going to scale up even further. We might be in the realm of a hundred per year, which we are doing the best we can to process as quickly as we can. But yes, we would like to do a lot more.

We have people lining up for these things, believe it or not, who really want to protect nature on their own properties, and we just cannot currently satisfy that demand.

The CHAIR: Metropolitan, regional, rural Victoria – is it everywhere?

Mat HARDY: Well, it is, but primarily in peri-urban and regional/rural Victoria. Our covenant requirements are typically land around the 5 hectares and up mark, so I guess we have got some constraints on what we can protect. As long as there are natural values that we want to protect, we can do it. Land sizes, I guess, are getting in the way of that. That said, the reality is there are still bits of land in metropolitan Melbourne that are worthy of protecting for nature and other reasons, and we would love to be able to work with those landowners who are keen as well.

The CHAIR: Even though they do not meet the requirements of 5 hectares and up?

Mat HARDY: Well, I am talking about the ones that would be fitting the 5 hectares and up, but I do not want to be hard and fast in that. If there are opportunities around that sort of requirement mark, then we can find a way through, yes.

Martha HAYLETT: So often when it comes to anything planning or environment related VCAT gets involved because there are disputing opinions about what should be done. If someone was to dispute someone taking on a covenant, is there time factored into your process for that? How does local government, if in any way, get involved? How would you potentially dispute that? Or, I do not know, is this like some magical thing that does not include VCAT and any dispute mechanisms? I am not sure.

Mat HARDY: It is not magical, although it does magical things. There are a lot of parts to that question. I guess our relationship with this is with the landowner who is putting the covenant on title. I cannot think of an instance – and I have been around a little while – when there have been disputes putting the covenant on title. Occasionally, and very occasionally, there would be questions raised after the fact, but again, I cannot think of an instance where it has been a problem because the covenant has been put on under contract with the landowner directly.

Martha HAYLETT: And when did this start in Victoria? Because it sounds like –

Jordan CRUGNALE: Fifty years ago.

Martha HAYLETT: Fifty years ago.

Jordan CRUGNALE: I think it was under Hamer, wasn't it?

Martha HAYLETT: Did it start in the US and then get adopted over here from them? What is the history of it?

Mat HARDY: Our power to put covenants came on in 1978, I believe. We put our first one on in the mid-80s. It was very experimental in Australia at that time. It has kind of grown from there as a concept, and we have continually adapted our instrument and how we do things to stay in that. We have almost 80,000 hectares directly under covenant now, consistent with national government requirements and meeting the requirements of privately protected areas to help reach 30 by 30, for example. So there are a lot of rules and requirements to make sure that what we are doing is delivering outcomes at multiple scales.

The CHAIR: So how do these covenants protect biodiversity values and improve land management practices?

Mat HARDY: The covenant deed is an instrument that obligates a landowner not to undertake practices that will damage nature, largely. For example, riding trail bikes around, clearing vegetation, building dams or that sort of thing is not allowed for in the conservation areas of the deed – so that is the protection of biodiversity. The management of that biodiversity comes largely through the covenant management plan; we negotiate that with the landowner directly, depending on their capacity and their ability to deliver some of those things – for example, managing weeds or pests or keeping stock out of the conservation areas of the property and that sort of thing.

The CHAIR: I am just thinking hypothetically: if you buy a bush block outside in the beautiful electorate of Ripon –

Jordan CRUGNALE: Or Bass.

The CHAIR: or Bass, but I am just thinking of a nice case study that I have got in my mind at the moment – and the family that have done that have got a home in central Ballarat but they want the kids to have this understanding of nature and they want to do some things; they want to have some horses up there, and they want to enjoy this bush block. Could they put a covenant on 70 per cent of it and then go, ‘Well, actually this bit we are going to have the caravan on, and this bit we are going to do what we want to do with it, but we want to actually protect 70 per cent of it’? Are you able to do that?

Mat HARDY: A hundred per cent, yes. Subject to meeting the minimum requirements, which would be, ‘Let’s do a 5-hectare area just for nature,’ we can provide different zones for different purposes. For example, there might be part of the property where the house is – we would make sure that that is consistent with people living there. There might be an area under a sustainable use tier, as we call it, which is a different set of obligations, where you could run the horses around if that was appropriate to do what you need to do, or we could just exclude that area from the covenant completely and say, ‘That’s your horse area. We want to protect this bit over here and work with you on that.’ So we can adapt for the property and the owners’ wishes for the property.

The CHAIR: Really interesting.

Martin CAMERON: What if rogue child Barry has gone up there afterwards and cut a swathe through with his dirt bikes? How do you have compliance on that –

The CHAIR: That is a great question.

Martin CAMERON: and check that it is being used for what it is meant to be used for?

Mat HARDY: That is a wonderful question. The stewardship program is our answer to that. We keep really close relationships with our landowners, largely from a support base to kind of say, ‘How are things going? How’s that weed going? How’s that pest?’ – that sort of thing – ‘Is the management plan working for you? Are there things that we can adapt? Can we help you with that?’ We do a stewardship visit, as we call it, currently every five years. We would like to do more, but we are resource constrained to do that. And we also do phone calls every year to see how things are going. We would like to do that a lot more. In the situation you were just describing, we would probably call that a breach of the covenant deeds.

Martin CAMERON: Yes – bad Barry.

Mat HARDY: If you have ridden a horse or a trail bike through the conservation area in direct conflict with the covenant deed itself, we would need to talk to you about how you are going to fix that and make good.

Martin CAMERON: Right. Yes. Beautiful.

The CHAIR: I guess a good question then is: how is this funded? You have talked about visitation and that you would like to do more in terms of working with these good people who have chosen to do it. How are you funded?

Mat HARDY: I am going to choose my words carefully here.

The CHAIR: You are covered by parliamentary privilege.

Martha HAYLETT: Say what you want.

Jordan CRUGNALE: And you have got a job for life, really – in perpetuity.

Mat HARDY: We get some base-level funding from government, but not, I would say, sufficient for what we want to do. A large degree of our funding comes from philanthropic sources, competitive grant programs and increasingly, hence my title, I guess the nature market space whereby hopefully there is a bit more as we go

forward. There are private markets out there that want to buy the sorts of things that we are offering in conjunction with landowners. But by and large, philanthropic support, which is why our charity status is so important to us and delivering what we can for people that want to pay for what we do.

The CHAIR: Jordan.

Jordan CRUGNALE: Thank you. I guess further to that also, can someone who has the title, the covenant, on their property do sort of vegetation offset as an income generation thing and then potentially donate it all back as a funding stream for the land that they have?

Mat HARDY: Thanks for that question, Jordan. Our instrument, the covenant deed, is used for a number of things, including the voluntary covenants, which are largely what I have just talked about. It also is used in both the state and Commonwealth biodiversity offset schemes, where it is the security instrument that makes sure that the bit of land that is set aside to make up for the destruction elsewhere is permanently protected. Some landowners choose to protect their land in accordance with those offset obligations, and our deed is part of that. They get paid to recreate the gain that has been lost elsewhere through the market. So that is one purpose for how we use our covenant deed. The rules are set up by the regulators, and we kind of just provide the security and the ongoing looking after of the offset site. I guess in a similar way in the BushBank program we are using our covenant to secure the restoration sites forever to make sure that the BushBank dollars are growing the plants in the places we want them to be growing, and our covenant will make sure that they are there for generations to come.

Jordan CRUGNALE: I have got a question now around the conservation covenants to what you have been talking about farm covenants. In the meantime, I just want to mention that John Clarke's area down at Phillip Island – our beautiful, amazing satirist John Clarke who passed away – is in Trust for Nature now; he gifted that over because he was a very keen environmentalist, conservationist and birdwatcher. We have Trust for Nature quite a bit in Bass. With the conservation covenants, how could they be adapted with your farm covenant?

Mat HARDY: Great question, Jordan. Thank you for that.

Jordan CRUGNALE: Thank you, Mat.

The CHAIR: You are going to get a gold star, Jordan.

Mat HARDY: Yes.

Jordan CRUGNALE: No, I am not. I am going to chat to Mat after about some legal stuff off the record.

Mat HARDY: We have done a bit of work over the last few years on this thing previously described as a farm covenant. I guess the better way to describe it for this committee is the use of the covenant on agricultural land. The intent behind it is to open up the concept of what we do more broadly and take a bit more of a holistic approach to what covenants can provide, including protection of agricultural land, noting that really well-managed agricultural land is sustainable and good for biodiversity and vice versa, so let us do this thing together in conjunction with farmers. It conceivably could work where at a property scale there might be some zones that are used for conservation specifically and other areas that are more of a sustainable-use zone, where grazing, for example, could be continued in a way that is best practice, which recognises that on the whole it is giving a good outcome for biodiversity at the same time.

Jordan CRUGNALE: And how should that work be funded, going back to funding?

Mat HARDY: How should it be funded?

Jordan CRUGNALE: Yes, that is right.

Mat HARDY: Well, I think a mix of sources would make sense. There is definitely room for public investment in getting it off the ground. I think there is philanthropic investment already being put into it – the concept – and we would like to progress that further. I think there is also a role for the private market to start stepping up and paying for well-managed land to deliver good products.

Jordan CRUGNALE: Just one last question – with land that is agricultural that is potentially degraded, with climate change and everything that is happening, but if it is renourished has the potential to become great land to grow again, would that be something that would have a farm covenant, because you would futureproof the area because of where it is located as well?

Mat HARDY: It conceivably could. I guess we would want to see the land managed in a way that satisfies our mission and what our legislation allows us to do. If we could find a way that said, ‘The regeneration of this agricultural land into this type of farming gives biodiversity benefits,’ for example, then that is the sort of thing we could do, yes.

Martha HAYLETT: I was just going to ask, Mat, if there is a fee for service at all. If private landowners are wanting to get a covenant with you, do they have to pay you? I do not know if you actually know what the covenant would cost. You obviously get your base funding from, I am assuming, DEECA, and then you have got other sources of funding, but for each covenant, what does that cost? Is there a fee from the landholder to yourself?

Mat HARDY: Yes, so this is one of the multiple pathways of funding that we are open to, I guess, particularly since the advent of the land tax changes as of 1 January this year. We have prepared for that with a fee-for-service model, whereby landowners can opt to pay for a covenant themselves to set up the covenant. Currently full cost recovery, notwithstanding the challenge of costing forever, is set at \$35,000 per covenant, such that people can pay for it themselves should they be able to. But I would say the vast majority at the moment are coming through competitive grant funds and philanthropic funds.

Nicole WERNER: You mentioned at the start of your explainer the compatible land uses that are allowed. Can you go into those in more detail?

Mat HARDY: Yes, sure. The different zones are set up with, I guess, a slightly different management intent – for example, what we call a domestic area, which you could think of as a residential zone – within a covenant. That is for what it says on the tin. We recognise that that is the sort of area that you might want to live and have a veggie patch and that sort of thing, so the constraints on what you can do in there are much less constrained compared to a conservation tier, whereby it is managed for nature so there would be limited things that you could do in there, inclusive of not cutting down trees or building new paths for trail bikes and horses and that sort of thing. That is probably the tightest restriction we have. Then in between that, with the sustainable use tier, for example, you might be grazing a paddock of native grass as part of primary production purposes but looking after it without tearing it up and turning it all into dams or that sort of thing.

Nicole WERNER: Thank you.

Mat HARDY: That is okay.

David HODGETT: You have asked most of it – sorry if I missed it. Not that you would want to, but can it be reversed – Marty asked a question before, and I do not know if you mentioned it in that – or altered?

Mat HARDY: No. It can be amended, but our policy is that it has to increase or enhance the value of what you are protecting.

David HODGETT: Yes. Once you make a decision –

Mat HARDY: It stays on title. The only reason we might consider it is if the land is going to be handed over to the Crown to be part of the public estate or if there is something fundamentally inconsistent in the deed that we need to fix for an administrative purpose. But no, it stays there. I have written a paper on this that I can provide to the committee if you would like to see it.

The CHAIR: Well, in the research paper Trust for Nature produced on this topic it contemplated a pilot program.

Mat HARDY: Yes.

The CHAIR: In your view what should the parameters of the pilot program include?

Mat HARDY: Well, that is a wonderful question, Juliana.

The CHAIR: Thank you. I got a wonderful question. Hansard, you got that? ‘Wonderful’ for me.

Mat HARDY: A lot of gold stars to hand out today. Look, we have a number of landowners who are keen to jump onboard and pilot this thing, for lack of a better word. We are lacking the funding at present to be able to do it, so we are open to negotiating the parameters with whoever wants to work with us to do it. We think there is a lot of opportunity here, and we are getting interest from a number of different angles about progressing it further. Could I be so bold as to say I can come back with some broad parameters to assist in that question –

The CHAIR: That would be fantastic.

Mat HARDY: depending on the scale and what the purpose would be.

The CHAIR: Looking more back to our terms of reference rather than our deep dive into the Trust for Nature and habitat forever, how do you envisage that this is going to address the issue of food supply and securing Victoria’s food supply with these covenants?

Mat HARDY: I would come back to some of the points in my opening statement, I guess, on that. First of all, I would say that it is part of the toolkit that is part of securing the food supply. It is not the only answer; however, there are bits of the landscape that we would argue need to be protected as part of securing that food supply, given the inherent link between biodiversity and natural systems health and agriculture being sustainable. That is number one. Number two, there are elements of our covenant, as we have just talked about, where it does not have to be all or nothing. You can kind of do 50–50 or 30–70 or whatever the proportions are that work for the landowner, some of which may wish to take up the entirety of the property, some of which might just be part, or through the covenants on agricultural land idea with a wish to take that as an offering to trade a premium product, for example, delivered from or produced on permanently protected land. There are also, I would say, different parts of the state that are inherently important for protecting for generations to come anyway inclusive of open-space values and that sort of thing, the green wedge zones being a great example of that where there is lots more land that we can protect both through covenants and planning schemes and that sort of thing where we are delivering outcomes at landscape scale.

Martin CAMERON: Is it just the landowner that can ask for this to be put in place or can someone else that is not a part of your land come to you and say, ‘Hey, we think this is a great place for a covenant to go around this area here’?

Mat HARDY: We have to sign the covenant deed with the registered proprietor, the landowner of the land. There have been instances whereby, for example, as part of the planning permit council has required a covenant to be put on title. We would welcome the opportunity to work with all councils to find a way of smoothing out that process, knowing that we have requirements that need to be met if that is how our covenant instrument is going to interact with the planning process. Also, through the offsets process we have regulations set up that are required that a certain covenant be put on, but in terms of signing it, it has to be between us and the landowner, yes.

Martha HAYLETT: Can I ask one more detailed question?

The CHAIR: Go for it.

Martha HAYLETT: I am just thinking obviously land ownership changes over time, but the covenant sounds like it stays with the actual land rather than the landowner. Do you have any tools – just to that point about if the covenant, if people are wanting to put like a motorbike track or they are actually not abiding by the rules of the covenant, and you are doing your once-every-five-year visits, what tools do you have to be able to penalise people or have some sort of response to people not actually abiding by the criteria in the covenant?

Mat HARDY: That is a great question too. The crux of it is the covenant deed is a black-and-white legal instrument that clearly outlines the sorts of things you can and cannot do. We have not had an instance where we have had to take that to a court of law to resolve. Our preferred approach is to work with the landowners together to find a mutually agreeable solution. It contains dispute resolution clauses and that sort of thing to try

and find a pathway through, and I would say in all of the instances in which we have had these situations we have found a pathway through.

The CHAIR: Just a curious question: what percentage of the 72,000 hectares of protected land would be in private hands as opposed to being Crown land?

Mat HARDY: It is all private land.

The CHAIR: It is all private?

Mat HARDY: Yes, as in private tenure land. Some of that might be council land, for example, but it is private tenure. The vast majority of that is with private individual landowners, for lack of a better term.

Nicole WERNER: What lessons can Victoria learn from the US system of agricultural easements?

Mat HARDY: I will part answer that, and I can also take that on notice. I guess the agricultural easements program in the US is a slightly different tool to what we are talking about here. I could talk to the lawyers about providing a definition for the difference between ‘easement’ and ‘covenant’; that might be part of an answer for you. I think the uptake and the success of the agricultural easement program in the US is one worth flagging, which is the significant tax incentives provided to landowners in the US to sign up to an agricultural easement, as they call it. You can see – and I can provide graphs of – where the tax incentives have kicked in and the substantial step change in the number of people that are signing up to agricultural easements. I would say there is a significant financial incentive in place in the US that does not exist here. The land tax changes in Victoria notwithstanding, they are still not at the scale of what the US landowners are open to. What else could we learn from that program? I guess partly through – which is addressed in this report – acknowledging their flexibility and the opportunity to use what we call our covenant deed in slightly different approaches, so expanding our way from pure remnant vegetation protection into something a bit more holistic, and sustainable farmland use is one of those examples.

Nicole WERNER: Great. Thanks.

The CHAIR: I am just thinking, a number of independent schools across Victoria have these campuses for their year 9s, whether it be MLC with Marshmead or Geelong Grammar with Timbertop or Ballarat Clarendon with – it is called Lavoula. They are going to kill me not knowing that correct name. Would schools also, if they have these outdoor areas of wilderness, be covered? Could they enter into a covenant to ensure that the biodiversity and the purpose of that campus would remain?

Mat HARDY: If it is private land?

The CHAIR: Yes.

Mat HARDY: I am trying to think of an example at the back of my brain that will not quite land at the moment, but as long as it is private land and it meets our criteria, we could do it. I think the question would be who is on title and who is able to sign it on behalf of the school. But yes, all the other requirements being met, there is no reason that could not happen. We have had other examples where people have used covenant areas for educational purposes. So we can build that into the deed to say ‘You will look after the land consistent with the conservation objectives, but that includes an allowance to bring school groups or tour groups or whoever it is through the property to talk about nature protection and conservation and that sort of thing.’

The CHAIR: Interesting. With 1 minute to go, does anyone have any further questions that they want to put on record? Jordan Crugnale? Or is there anything else, Mat, that you would really like us to have a further understanding of in the closing moments?

Mat HARDY: I think I will just reiterate my comment before, Juliana, thank you, which is that covenants are part of the solution here for addressing the impacts of population growth and urban sprawl and food security in Victoria. I would love to continue our work in solving this problem.

The CHAIR: Terrific. Thank you very much, Mat, for coming in.

Witness withdrew.