problems stemming principally from the recent recession and on-going structural adjustment across much of the country. What will happen to policy when unemployment declines in the wake of (probable) sustained economic growth?

Thank you for bearing with me thus far. I accept full responsibility for the matters raised. If you have any opinions of your own on the subject matter raised by this editorial please write and let me know. I would like to include letters on the subject in the next edition of Regional policy and Practice.

Meanwhile, this issue contains widely contrasting articles pertaining to regional analysis, management and development. Diana Day considers the management of NSW water resources. She emphasises the importance of informing local people (or local government) about, and of involving them in, policy formulation. Adams and Dixon forecast the prospects for Australian industries and states over the middle parts of this decade. Such information might assist regional communities in targeting appropriate industries to propel local development.

These are followed by two articles on regional development practice by McRuvie and Taylor, and by Graham Oke, a topic about which they are well qualified to speak given their considerable real-world experience. Both these papers continue our policy of publishing significant contributions to our annual conference.

Finally, we include a contribution from one of our new editors, Sean Bevin. Sean works in a regional development capacity with Napier City Council and is well qualified to introduce us to New Zealand regional development practice. It stands in sharp contrast to what Australia's federal government is trying to achieve through the 'Working Nation' strategy. Basically, New Zealand's path towards central government disengagement from local affairs has thrown considerable responsibility for economic growth on to local and regional authorities.

Tony Sorensen.

16 May 1994.

DIANA DAY
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(The views of the author in this paper do not necessarily represent those of the NSW Department of Water Resources).

[Editorial Note: One of the critical factors affecting regional development in many parts of Australia is the availability of good quality water supplies. This article on water planning is a timely reminder of that fact. It explains some of the management and policy approaches adopted in NSW to improve the quality of water supplies and protect the environment.]

Water Planning in NSW

The NSW Department of Water Resources is the state’s water management agency. Major legislation under which this role is undertaken is the Water Act 1912-, Water Administration Act 1986, Rivers and Foreshores Improvement Act 1948-, and the Murray-Darling Basin Act 1987. The Department’s main functions are to supply water to multiple uses and values and to strategically plan to meet society’s future water resource needs. These include the sharing, use and protection of water and the environment.

Key performance areas for the department are state resource planning, water sharing, water supply, environmental management, water quality and business performance. Priority areas in 1993 were clarifying its wider natural resource management role and external relationships with other agencies, promoting community and customer consultation, progressing corporatisation/privatisation of the irrigation areas and districts, maximising responsiveness to the business environment and nutrient and salinity management.

Over the past decade the Department has decentralised its specialist management, technical and operations staff (60%, 1000) to eight regions in NSW with a head office at Parramatta, Sydney. Across these Regions,
representative of all the states biogeographic and socio-economic variability, natural resources management policies are implemented. Indeed, there are a host of such policies. They are developed to facilitate management of water allocation, water quality, irrigation areas, extractive industries in rivers, riverine environments, floodplains and how to apportion river flows to environmental as well as industry needs.

A Survey - Do Natural Resource Management Policies Work?

A major issue confronting resource management agencies is how natural resources policies are implemented and if they really work. In 1993 a survey was made of regional directors, scientific, water licensing and catchment management staff across the Department of Water Resources', eight Regions, the Barwon, Hunter, Lachlan, Macquarie West, Murray, Murrumbidgee, North Coast and South Coast Regions.

This survey considered staff views, perceptions and experience of key state resources policies and the effectiveness of implementation process and outcomes. The Department needed to know if natural resource management policies were clear, if policy implementation worked, whether the process needed new or additional guidelines or related sub-policies or even further, a high shift in emphasis. This survey made no comprehensive assessment of whether policies or activities were significantly affecting hydro-ecological stability or quality. A key issue was whether government saw it was managing natural resources more effectively according to set goals.

Information gathered was qualitative through interviews with the staff at each regional office. Staff were asked a range of questions including whether they were aware of the policy, did they find it useful, did implementation work or were there any conflicts with clients? Other issues explored were regional/community education, whether new natural resource management policies were needed, how communication could be enhanced and what training opportunities were necessary to enhance water management.

Some of the Policies

A suite of resource management policies have been developed by the Department and in conjunction with the NSW Water Resources Council, a co-operative and collaborative forum of government, private sector and environment representatives. Policies reviewed in this survey included the Interim Wetlands Policy, Unregulated Streams Policies, and various Water Licensing Policies. Further key policies and their management objectives are shown in Table 1.

Policy and Practice

The survey indicated that pressing regional natural resource management issues varied significantly across the State. There was too much water in the south (waterlogging), and far too little in the north (water shortage, droughts). Physiographic variability such as river channel shape and whether rivers were incised or not meant that application of the Interim Riparian Zone Policy, which gives consideration to protection of riparian zones along all the natural drainage lines, would vary markedly between inland semi-arid zones and coastal high rainfall zones. Some policies gave little recognition to such landform variability and indeed the sensitivity of landholders. Introduction of the Riparian Zone Policy (Discussion Paper) had a hostile community reception in the north coast of NSW. Here landowners perceived their access and use of riparian lands was compromised. In the far west and southern NSW this policy discussion paper was not contentious.

"... pressing regional natural resource management issues varied significantly across the State."

Some Regions were generating their own regional policy documents, but not all other Regions or head office knew of some of these. Many so called 'State' resources policies (Table 1) were seen to be too general and of little direct assistance to the regional practice of resource management. Here catchment managers needed guidelines and strategies to make immediate decisions or actions on local problems. There was frequently little in place to support such decisions.

Many State policies initially gave no support in the critical area of implementation guidelines, examples or action lists. Extreme community discontent in the case of the
TABLE 1
Key natural resource management policies.

<table>
<thead>
<tr>
<th>Policy</th>
<th>Management Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Rivers and Estuaries Policy</td>
<td>Aimed at arresting deterioration of rivers and estuaries. Includes riverine restoration and State of rivers reporting.</td>
</tr>
<tr>
<td>Groundwater Quality Protection Policy</td>
<td>To protect the states groundwater resources. To prevent deterioration, maintain multiple uses 'sustainability'.</td>
</tr>
<tr>
<td>Riparian Zone Policy (Discussion Paper and Interim Policy)</td>
<td>Protection of geo-ecological zones along rivers. Includes rehabilitation, education, community action, environmental guidelines for 'river works'.</td>
</tr>
<tr>
<td>Sand and Gravel Extraction Policy for Non-Tidal Rivers</td>
<td>To ensure sand and gravel extraction from rivers is on a 'sustainable' use basis. To manage extraction to reduce deleterious impacts.</td>
</tr>
<tr>
<td>NSW Drainage Policy</td>
<td>To manage irrigation areas and districts 'sustainability'. To attach causes of land degradation such as rising ground water and salinity.</td>
</tr>
<tr>
<td>State Water Quality Policy</td>
<td>Provides principles and strategies for management and restoration of surface water. Focus on integrated catchment management.</td>
</tr>
</tbody>
</table>

Riparian Zone Policy (Discussion Paper) led to the introduction of the more specific interim policy. And as often occurs in many regionalised organisations, regional staff felt they needed to be consulted more by policy development staff at head office.

The key finding was just this communication need. More effective communication was seen as essential between Regions and Head Office and terms of written information, ongoing consultation and participation on project teams. In particular the importance of face to face meeting of Head Office managerial and executive and support staff in the regions was stressed by all Regional offices. Direct and personal feedback and information sharing was valued most highly. This was in every aspect of the policy development, implementation and evaluation process.

Policies as Documents

Very quickly it was identified that the actual size, structure, readability and objectives for policy documents and discussion papers needed radical change. Some suggested enhancements were:

- more professional editorial/writing expertise in policy documents. Many of these were too wordy and written by in-house technical and policy staff but not for easy understanding by wider audiences.
- reduction in length of policy papers for public distribution and the importance of an additional 1 page lay-person's summary. Policy papers were on average far too long and detailed for a public audience. Adequate summary statements are vital for all customers, but missing.
- separation of policy statements from background, guidelines, implementation and evaluation process.
strategies and appendices. Many documents were too wordy and integrated key aspects. Separation of context was needed for better understanding and implementation.

- action lists on how to deal with a policy. Resource management staff stressed the need for advice on how practically to deal with a policy in the form of action list procedures.
- more face to face contact was needed between head office and Regions to outline new policy issues and papers and to work to make policies regionally applicable. Staff wanted face to face meetings, to be told about the policies, how they would work and to raise questions directly with other policy makers and co-ordinators. No documents or telephone calls or correspondence were seen as a substitute for this personalised understanding which was rated very highly.

More Information

Several resource areas were seen as needing more technical and background information support. These included all aspects of wetland management including defining the inter-jurisdictional responsibilities among state agencies.

The wider context of institutional arrangements in water quality management in NSW and at the Commonwealth level was an area of major interest. This was due to conflicting areas of interest and responsibility in the water quality management arena and the need to be increasingly aware of state and national guidelines in water quality assessment. Other information needs were further literature reviews on riverine ecology, river health indicators and natural resources management. These were all needed to support rapidly changing and enhanced responsibilities in this area. Information for local government and local and regional environmental planning advice was stressed by all the main Regional Offices at Sydney (South Coast), Muswellbrook, Grafton, Moree, Dubbo, Forbes, Leeton and Deniliquin. The importance of increasing advice on natural resources issues to local government was stressed by all Regions. Discussion papers, information sheets, meetings and policy documents were all seen as vehicles for this purpose.

Education and Research

Regional Directors and their staff have an increasing role in community consultation and information sharing in natural resources management.

So Regional offices were keen to benefit from further media liaison and public relations advice from Head Office to assist them in community education programs in catchment management such as 'Streamwatch' and sustainable resources planning. It was thought that further staff training in dealing with public disputes was important to this process.

This included conflict resolution strategies to deal with resource use conflicts and difficult public meetings. Support in terms of further training in preparing competitive research grant applications was also seen as significant.

Reversing the Process - Implementation

In the policy and practice of regional water planning in NSW there has been a noticeable gap between the presence of state resources policy documents and technical information and defined processes for implementing those policies. While many policies enhanced information about natural resource management issues, there was little direction about how to implement the policy toward a sustainable environmental management outcome.

As a result more recent policies, such as the Interim Policy for Riparian Protection Zones have included more explicit implementation priorities. Considerations include in this case, a refusal of approval for works in the riparian zone where there is significant impact on bank stability, channel integrity, habitat value, or buffer/filter status for sediments and pollutants.

With the refinement of implementation processes has been related evaluation of the community involvement process at the beginning of policy development. For main policy initiatives the Department has now adopted a more lengthy and costly but effective process. It begins with ministerial agreement to a possible policy agenda, community workshops to identify issues, draft policies to follow with community steering committee input and release of that draft for
public discussion. Only then is the draft policy released for discussion and re-working through many state-wide workshops. Finally the draft is submitted to the Minister for consideration. Planning time and costs are high for this process however wider comprehensive involvement leads to much more effective and finally quicker implementation. This process allows for particular involvement of the 12 rural and 10 urban catchment management committees throughout NSW as well as river advisory committees and Boards.

Communicating Regional Issues

This review of the status and practice of natural resources management policies indicated a heightened need for further communication between ‘head office’ policymakers and regional management implementation units. It also showed the need for developing regional water planning policies on the ground, within the region. While this is the trend it must be more of a focus for the next decade.

"... the need for developing regional water planning policies on the ground, within the region."

The complexity of NSW agro-ecological zones and water based land use indicates a further need to make policies relevant to a particular river valley or groundwater resource. In this context the Department is initiating Valley Management Plans and Land and Water Management Plans to deal with holistic catchment based planning and the realities of accelerated environmental degradation. It is certainly time for all agencies to scrutinise the utility of natural resources policies to the so-called ‘faux’ of ‘sustainable’ management of water, land, soil and biotic resources. A multiplicity of land and resource management agents with continuously changing responsibilities makes this approach difficult. Comprehensive assessments of whether current resource management policies are significantly affecting regional natural resource status and what this means are very few and far between.

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Prospects for Australian Industries and States in the 1990s

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This paper describes forecasts generated by the MONASH model of the Australian economy. MONASH divides the economy into 112 industries and 6 states (ACT is included in NSW and NT is included in South Australia). As is apparent from Figure 1, MONASH produces forecasts for industries and regions, taking account of forecasts for particular aspects of the economy prepared by specialist organizations. Here we use:
- macro forecasts from Syntec,
- tourism forecasts from the Bureau of Tourism Research,
- forecasts of tariffs and subsidies from the Industry Commission, and
- forecasts of quantities and prices of agricultural and mineral exports prepared by the Australian Bureau of Agricultural and Resources Economics.

The paper is divided into three sections. First we consider the Australian economy at the macroeconomic and sectoral levels. Then we look at the States and industries in more detail. The final section contains brief concluding remarks.

Macro and Sectoral Prospects

Figure 1 and Table 1 give MONASH results for the Australian economy for the period 1990-91 to 1996-97. In accordance with Syntec’s macro forecasts, Figure 1 shows Australia experiencing an elongated but subdued recovery. GDP growth reaches 2.8 per cent in 1992-93 and remains close to that level through to 1996-97. Peak growth is only 3.1 per cent, well below the peaks in the cycles of the 1970s and 80s.

Growth in Australia is heavily influenced by world growth. Vigorous world growth improves Australia’s terms of trade (export prices compared with import prices). An improvement in the terms of trade increases income and expenditure in Australia.