

**Submission to Senate Inquiry into
Native Vegetation Laws, Greenhouse Gas abatement Laws and Climate Change Measures**

By the Senate Finance and Public Administration Committee

This submission deals with the impacts of environmental legislation on our property and business

(1) The impact of the native vegetation Laws and legislated greenhouse gas abatement measures on landholders, including:

Specifically section

(a) any diminution of land asset value and productivity as a result of such laws

We run a 14,000 ha grazing property in the western division of NSW. Three generations of our family have managed and developed this property since 1920. Originally ringbarking and grubbing were undertaken to promote native grasslands and enhance production, later upgraded to bulldozers, ploughing and chemical to control regrowth. These activities need to be undertaken every 15 to 20 years to maintain grasslands and production.

The Native Vegetation Act has destroyed our long term productive capacity and the possibility that new greenhouse gas abatement measures will further erode our productivity is a very stressful thought. On going management of our land that maintains and improves the properties long term productive assets is necessary for our property to go on to be a sustainable fourth generation farm.

The Native Vegetation Act (NVA) has put a stop to this program as a Property Vegetation Plan (PVP) is now required to continue with land management. All PVPs put a caveat over the land and lock up a percentage for offset. This is a very poor option environmentally, economically and socially. We have 2,300 ha treated for regrowth since 1983 that puts it outside the NVA and due to the NVA that is the only productive land on our property. The remaining 11,700 ha that had been improved by ringbarking grubbing fencing, dams roads yards and other infrastructure over 70 years which once supported 7 permanent jobs in the local community and was environmentally sound is now badly degraded waste land, it is a woody monoculture that has little ground cover, poor ground level habitat, erosion and no productive value. Due to this land having no productive value it has greatly diminished asset value.

Land asset loss is great under NVA. Improved pasture land is valued at \$240 per ha where as unimproved scrubby land is valued at \$37 per ha in our district. We have 11,700 ha of land that although improved several times since 1880's now falls under NVA regulations and has a present valuation of \$433,000. If we could improve this land and restore the grassland and soil it has a potential value of \$2.8 million. That is a diminution of \$2,367,000 in land asset level a result of the

NVA.

Our 2,300 ha of developed land has a carrying capacity of 1 breeding ewe to a ha (dorper cross ewes are at present producing 150% lambs a year, being sold into the meat market at 4 to 6 months of age for \$100 average.) Even in drought with stocking this land is more sustainable and holds better ground cover than undeveloped country.

Land that falls under NVA and is a carbon sink for Kyoto and only the government gets a return off. This land does not run breeding ewes due to poor pasture and feral predation of lambs. The worst conditioned land is in perpetual drought as no amount of rain encourages pasture growth amongst the woody weeds and erosion is serious. The cost of operating production on this land is much greater than on our developed land. Labor, fuel and machinery running costs are greater for less return e.g. mustering takes at least 10 times as long as you have to cover a much larger area and do it more carefully because of the low visibility in the scrub. Stock have to walk longer due to the extensive nature of paddocks. We usually have to repeat mustering to get all stock.

A condition of our Western lands lease is that we maintain the productivity of the land and protect the most basic and important resource the soil. NVA prevents us doing this as it reverses trees and woody vegetation over grass and soil. (Where trees are thick on our property groundcover is very sparse and impossible to establish so soil erosion is serious.)

Specially Section

(b) compensation arrangements to landholders resulting from the imposition of such laws

We have received no compensation and would much prefer our land rights restored. NVA is detrimental to our property environmentally economically and socially.

Section

© the appropriateness of the method of calculation of asset value in the determination of compensation arrangements

Specifically Section

(d) any other related matter

The data bases that underpin the NVA are not accurate for our farm and make using the NVA for development impossible. To do a development application under the NVA of 500 ha we would need to supply an offset area of 100 times that area(greater than our whole property).

(2) Impact of Government proposed Carbon pollution Reduction Scheme and related measures

The NSW government changed the Western lands act in 1997 to take ownership of all carbon on our lease giving us no productive gain should soil carbon sequestration be accepted as an abatement measure. We would have no incentive to increase soil carbon, this asset should be given back to land holders.

At present our developed land has much higher soil carbon levels and is improving where timbered country controlled by the NVA has low soil carbon levels and it has no hope of improving under current legislation.

We have grave fears that new environmental legislation will put further restrictions on our farm eroding our productivity and asset value.

