Senate Finance and Public Administration Committee
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RE: Impact of Native Vegetation Laws on Landholders

1st (d) Other Related Matters

The first time we experienced being the victim of *encroachment* by the public sector over our property was in the 1980's at the hands of Mr Bob Carr as Minister for the Environment in Neville Wran's Government.

When we acquired land in the Hastings in the 1960's and 1970's, we knew we did not acquire the minerals rights under the surface. These rights were retained by the Crown. However as far as we knew, we did acquire legal and practical ownership control, inter alia, over the flora and fauna that grew or lived on the land. We understood the Crown relied upon us acting in our own pecuniary interest not to replace, destroy or alter the flora and fauna unless it was in our own interest to do so, including improving the productivity and therefore the value of the land. Inter alia, the State native vegetation laws effectively transferred the control over the flora and fauna from us to the State allegedly for the good of society generally but without compensation for us.

From Circa 1980, we became cognocent of the urban sprawl of our towns and cities. Accompanying the urban sprawl we witnessed the gross wasteful destruction of native flora and fauna, good forest land, fertile agricultural land and water supply. The urban sprawl was encouraged, *inter alia*, by so called environmentalists who objected to cities and towns being developed by the use of *'High Rise'* buildings, by poorly drafted LEP's and by inappropriate state zoning laws and regulations.

There is now an army of lawyers, consultants and staff, employed in Local Government and State Departments as bureaucrats, that live on the drafting and policing of inappropriate and mischievously drafted LEP's, Environmental and Zoning Laws and Regulations. In the main these people are not gainfully employed and themselves represent a huge cost to the environment.

During the late 1980's and early 1990's, I studied, in depth, urban living not only in Australia but around the World. The defectiveness and bureaucratic mischievousness of LEP's and zoning laws became clear. One did not need to be a rocket scientist to predict that the effect of the press supported grand-standing advocates seeking Government intervention on private property rights starting in the early 1980's and continuing, was a path that was to result in huge economical, social and environmental disasters. And it has. Unfortunately there was and is un-earnt profits, unjustified power and egotistical glory to be made by land developers, consultants, bureaucrats and politicians continuing along the LEP's and zoning routes.

During 1998 a Steering Committee named *Hastings 2000* chaired by Dr. Keith Boardman, the then recently retired Chairman and Chief Executive if the CSIRO was formed. The steering Committee was charged with addressing the obvious environmental, social and economic problems Australia was being subjected to by

our own polluting inefficient metropolitan cities – the consequence of which was and continues to be an ever increasing burden placed on Rural Australia's private property rights as *environmental compensation* but without the proprietors of rural land holding receiving just and fair *monetary compensation.*

In the event the Committee had been able to complete its objectives Australia would not have required the native vegetation laws as a greenhouse gas abatement measure and further if vegetation restrictions were required on rural land the State would be in the financial situation of being in the position to provide fair and just compensation without it having a significant affect on the living standards generally.

We have a number of practical examples where the native vegetation laws or draft laws affected the value of our land such as to result in the force sale of land.

We experienced the effects of our Local Council imposing draft vegetation protection plans over our land – resulting in its loss of value and therefore the loss of the value of the security held by our Bankers, leading to the sale of our land to the Council at the impaired value.

The Impact

a) In our instance affected land has gone from highly valuable say $100,000/ha to a negative value. The negative value, inter alia, is because:
   i) The affected land reduces the value of surrounding land due to loss of efficiencies and restrictions;
   ii) It increases cost of administration of the total land holdings;
   iii) We continue to pay local government rates (base rates are applicable regardless of the land value), pastoral protection board taxes insurance obligations, fire hazards, risks, boundary maintenance etc.

b) Land owners should be compensated on the value of the land without the impediment of any native vegetation restriction. This can obviously be ascertained by professional valuers appropriately briefed. Proprietors who acquired land at the impeded value after restrictions were in place should not be entitled to compensation.

c) The calculation of asset value lost for the benefit of the State must include:
   1. Value for loss of income producing capacity capitalised at the current capitalised rate of land not effected
   2. Value for loss of future development potential. This will vary greatly depending, inter alia, on location for example timbered land on the Coast in a population growth area with otherwise future potential (if not for, inter alia, the native vegetation laws) to be developed for higher and better use will differ greatly c.f. say a cattle property at Burke.

This submission is short and does not include supporting documents because of time constraints. Given the opportunity, I will be pleased to expand and provide documentary evidence on all claims contained in this submission.

Yours Sincerely,