



HEWITT FARMING COMPANY

03/03/10

Senate Finance and public administration Committee
PO box 6100
Parliament House
Canberra ACT 6100

RE: Senate Enquiry into impacts from Native Vegetation Laws, Greenhouse Gas Abatement and Climate Change Measures.

Dear Sir/Madam,

I wish to take this opportunity to make brief comment on the principals applied to, and the impacts flowing from, Native Vegetation Laws and other Climate Change abatement measures.

There is no doubt that the Australian people, and their governments need to recognise that many of the practices we have grown accustomed to in our lives need to be modified to minimise human impact on the environment. With improved knowledge and understanding comes the realisation that many of the things we do in our daily lives have far greater impacts than we may have first thought. This is the case whether you are a small business owner, city office worker, miner, politician or farmer. We must all accept change is inevitable and necessary.

The challenge facing Governments is to devise and then implement change that delivers results with minimal impact on the lives of the broader Australian community. There will by necessity be times when change has more impact on one sector of the community than others, but the benefit is felt by all. Native Vegetation Laws are a clear example of this. The introduction of Native Legislation Laws by State Governments has almost single handedly helped the Australian community achieve its obligations under the Kyoto Agreement. All Australians benefit from this, but the cost is born by only a few, which is inequitable and un-Australian.

I am not personally affected by Vegetation Laws at all, as we farm in a cropping areas that requires no vegetation management, and frankly I support the need to restrict the amount of tree clearing that happens in the broader landscape. However the costs of this to the affected landholders is real and significant. It is entirely unacceptable that this cost is imposed by Governments in order to achieve community wide benefits without the wider community sharing the cost. It must be remembered that veg management practices were not just tolerated by past Governments, in many cases they were *required* under the terms of State Government Leases. Similarities can be seen in the water reform arena. Irrigators face reduction in entitlements as governments realise they have overallocated resources. Many irrigation licences were issued (as recently as 1999) with the requirement that the licence be beneficially developed within two years of issue. Irrigators borrowed heavily to develop their farms in accordance with the licence. It is appropriate that levels of allocation be environmentally sustainable, but is it appropriate that an irrigator who purchased a freehold entitlement to water should have that asset diminished without any compensation? Surely it cannot be the fault of that single small business operator

that the entire Murray Darling system (for example) is overallocated? He cannot escape the fact that he is part of the problem, and part of the solution, but he should be able to rely on being justly compensated for the impact on his business.

There can be no doubt that sanctity of title to an asset is a fundamental part of our free enterprise democracy. For governments to undermine this is devaluing the property right of everyday Australians. It will create uncertainty that will result in reduced confidence in investment, and accelerate the decline of productivity in areas that desperately need investment in new technologies to help overcome the very same challenges the government is trying to address through reduction in entitlements.

Native Veg laws that prevent a grazier from managing his property to be productive and free from introduced woody weeds may well deliver benefits that justify such laws, but the benefits will never justify erosion of the livelihood of everyday Australians without fair financial compensation.

We welcome the senate Committee's interest in this very critical matter, regards Geoff Hewitt.