

The Secretary
House of Representatives Standing Committee on Environment and Heritage
Parliament House
Canberra ACT 2600

From
Dawn Parker & Warren Thomas
PO Box 35
Genoa 3891
03 5158 8230
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Re: Submission to the Inquiry into the Impact of Conservation Controls imposed on landholders.

Thankyou for the opportunity to comment on a matter which has caused considerable personal and financial hardship to ourselves and many of our farming colleagues in East Gippsland over the past 10 years, and continues to do so.

We are private landholders operating a beef cattle breeding enterprise in Wangarabell, North of Genoa, in far East Gippsland, Victoria.

I will outline , very briefly the effect on us of the “Native Vegetation Retention Controls” imposed by the Victorian Government in the late 1980’s, as an example of a familiar story in this area, and to provide a context for the cost estimates .The details differ from farm to farm, but, on the whole, the effects vary only in where they fall on a continuum from severe to disastrous.

We bought our property in 1984,**prior to** the introduction of the land clearing regulations. The 916 hectares comprised about 180 hectares cleared and sown to pasture, the balance supporting many stands of mature timber suited for sawlog and pulp production. Timber production has long been a major industry in the area , on both private and public land, so it seemed a sound business decision. The plan was to harvest the timber gradually and selectively, using the process and the proceeds to bring into grazing production a further 300 ha. , thereby creating a viable farming enterprise. The eventual sale of this developed asset would provide for a reasonably comfortable, independently funded retirement.

It is probably important to state that we do not belong to the ‘rape and pillage’ school of natural resource use and the plan for clearing took sound account of the need to leave many hectares of timber standing where it would provide shelter for stock, protection from erosion by wind or water, seed banks, filter areas and buffer zones and preserve aesthetic values. We have also spent much time and money voluntarily initiating or cooperating in action to address some necessary restoration or preventative works. (for eg. fencing watercourses against damaging stock access, fencing remnant vegetation, establishing shelterbelts , replacing and supplementing soil nutrients, etc.)

When introduced, the clearing regulations stopped this development by forbidding the establishment of pasture on large areas and therefore preventing the cattle herd

expansion. Without the extra cattle numbers the cash flow level was not sufficient to satisfy the normal requirements of a progressing business.

In addition, the asset value of the land was reduced, rather than increased, since it was earning nothing and was made unsaleable.

We could not go forward and the restrictions placed on land use ensured that we could not call it quits and go out sideways. No farmer wanted to buy the land, the government didn't want to buy the land, (the timber species were of such value that we must leave them growing, but not so valuable as to warrant government purchase), no "bush lovers" wanted to buy the land because, as one estate agent pointed out, 'There's lots of public bush nearby and they can have that for free.'

Present position:

Farm size too small (in terms of carrying capacity) to be viable

Debt still with us and of course, still costing money

Reduced asset value

Unsaleable and unusable assets

Little or no prospect of a 'comfortable' let alone a self- funded retirement

The anxiety continues.

The Cost?

A **conservative** estimate of the difference between the actual and what would have been without the impediment of land clearing restrictions. This **does** take into account other things which interrupt progress, like droughts, floods, drops in market prices, periods of high interest rates. But these are normal risk management matters and are planned for.

What If?		Actual
Land Value	\$1,170,000	\$501,000
Cattle Value	\$300,000	\$150,000
Annual Income (gross)	\$180,000	\$90,000

Cumulative income loss over 10 years allowing for incremental growth in herd size and the cost of achieving that : \$412,000

The calculation of actual costs would dig deeper and include, for example, interest costs for debt maintained at a high level rather than reducing, income foregone from diversified investments of surplus, etc.

This calculation also assumes some degree of farm and financial management skill, of course, but there is some evidence that we do have a bit of that.

Other costs

Time spent travelling and lobbying-all to no avail so far—Lots

Time spent preparing documentation-Lots

Time spent trying to think of ways forward-Lots

This is not facetious. I just don't know how to calculate it.

Anxiety and stress-Lots and lots.

I do not think it extreme to suggest that the expectation that private individuals must bear the costs of public good conservation measures, and the distress caused by the trapdoor thus opened, has actually ended some lives prematurely.

This may seem dramatic, but I'm fairly sure it's real. The point is perhaps, that the sheer magnitude of the effect on individuals and families has been sufficient to cause this. Perhaps not on its own but as a last straw or as the factor which made a bad situation inescapable. Certainly the **quality** of many lives has been most adversely affected.

To us, this is not a question of **whether** the inequitable imposition of costs on individuals must be redressed now and avoided in the future, but just how it can be done and how soon.

I thank you for attending to our agreement that there is a very large problem, and our attempt to illustrate by example some part of the scope of it.

We would be willing to provide further detail if required.

We look forward to the outcomes of the inquiry.

Yours faithfully

Dawn Parker & Warren Thomas