

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 2 June – 4 June 2009

**Question: bet 14**

**Topic: Great Southern Ltd MIS Plantation Scheme on Melville Island NT**

**Hansard Page: Written**

**Senator Siewert asked:**

1. Please provide details (including the value of) all government rebates, subsidies, refunds or other assistance (financial or otherwise) for the last three financial years that the Government provides to the Great Southern Ltd MIS plantation scheme on Melville Island NT. Such assistance maybe in relation to
  - a) Fuel;
  - b) establishing, upgrading and maintaining roads;
  - c) clearing native eucalypt forests;
  - d) extracting and transporting native eucalypt logs for export;
  - e) preparing land for planting;
  - f) planting *acacia mangium*;
  - g) cost of pesticides, herbicides and fertilizers;
  - h) ongoing management of plantations e.g. spraying for pests; pruning;
  - i) leasing land from Traditional Owners;
  - j) conducting assessments, studies, monitoring and submitting tranche plans for the establishment and management of the plantations as required under the project's EPBC Act environmental conditions;
  - k) labour (wages; travel; meals; accommodation; training);
  - l) any other cost refunds?
2. Please advise if land lease (or rental) payments made by companies to Traditional Owners for the use of their land are able to be claimed as tax deductions.

**Answer:**

1. Treasury can confirm that no specific assistance to the managed investment schemes (collectively known as the Tiwi Island Forestry Project) operated by Great Southern Ltd on Melville Island in the last three financial years has been provided from the Treasury portfolio.

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Treasury has no record of assistance being provided from either the Department of Agriculture, Fisheries and Forestry or the Department of Families, Housing, Community Services and Indigenous Affairs to the Great Southern MIS on Melville Island in the past three financial years.

However, given the broad-ranging nature of the question, which cuts across many portfolios, it is difficult to state categorically that no assistance had been provided from any other portfolio. More detailed information could be sought directly from individual portfolios if required.

2. Under the tax law, expenditure relating to the leasing of land for the purpose of producing income is generally deductible. This principle extends to payments made by companies to Traditional Owners for the use of their land.