

Submission to the Senate inquiry;

Native Vegetation Laws, Greenhouse Gas Abatement and Climate Change Measures

By the Senate Finance and Public Administration Committee

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

I purchased my 138ha rural property in 1996 with the understanding that I would be able to develop and manage the land as required to obtain income and to increase its asset value.

The property consists of approximately 60% pasture the balance being timbered to varying degrees. All areas were in a run down condition.

It was never my intention to clear and convert all of my property to pasture. My plans were to renovate the cleared areas first then move onto making the wooded area manageable and profitable. This was to be achieved by some subdivision with fencing and construction of waterholes as well as fire breaks for safe management.

However now that the woodland has been declared a threatened forest community the land area is classed as vulnerable and as such it can not be touched unless I can make a case claiming exceptional circumstances. In other words it has been locked up by legislation. And I might add, without my agreement.

It was my estimation that I could have increased the potential stocking rate by approximately 300dse had I been able to carry out the simple improvements mentioned above. That could have amounted to around \$9000 per annum in gross return simply by running merino wethers.

Within the main area that I now may no longer develop there are two distinct areas of a soil type that could have been used for higher value intensive production. Due to the new classification I believe development of those areas is no longer an option. I don't know how to put a value on that loss. One of the first things I did with my property was to build a large water storage with a view to utilise the best areas for irrigated production. The vegetation clearing restrictions have impacted me by stopping development of some of those areas.

In pure asset value loss I can only estimate. Due to the extensive restriction of the particular classification of the woodland areas of my property I can see those areas only being attractive to those looking for land for recreational use. Those buyers only look for the cheapest land available and the restrictions on development would be sited as a reason for a discounted price offer. That fact cannot be denied.

If I was to hazard a guess I would suggest a figure of around \$200000 in direct loss to the value of my property as a result of the development restrictions. It could be more. As the clearing and conversion rules stand a buyer looking for productive land could only consider the cleared areas of value when considering a price.

Specially Section:

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

There has been no offer of compensation made to me for loss of equity value as a result of the development restrictions placed upon my land or for the loss of earning potential.

I understand that there is a compensation arrangement but I think to be eligible I need to have had an application rejected. I only state this as I know of another who received compensation for not being able to clear a block. But from memory the amount was pitiful.

As a matter of fact no one has even contacted me to advise me that the vegetation on my land has been taken under the control of the state. I only found out whilst looking at a government website mapping facility.

Section

(3) the appropriateness of the method of calculation of asset value in the determination of compensation arrangements; and

Direct compensation for loss of development rights must consider more than just the value of the area in question as the effect of restricting access impacts earning potential as well as equity value and the result may be loss of viability of the entire property. This is the case with my property.

Specifically Section

(4) any other related matter.

The area restricted from development on my property is classified as;

Eucalyptus amygdalina forest and woodland on sandstone.

The point here is not that the species is rare. In fact the type of woodland species I have is common and indeed is the same type of bush that exists in similar rainfall areas in this state. The excuse for the restriction is that the type of woodland has been reduced on this soil type.

A point I must make is that I don't want compensation, I want the freedom to manage my land in order to earn a living. But if I can't have that then I want payment.