

12 August 2003

**Re: Productivity Commission Visit to Deniliquin**

I apologise for being late in responding but I note that I do not have a direct contact point for the Productivity Commission itself. Hence my reply via yourself.

I have been through the office records and now make the following affirmed proposal to be forwarded on to the Productivity Commission via yourself.

- **Economic Impact** - Booth Associates have conducted in excess of 40 investigations and reports resulting from the various Conservation Acts in NSW. Whilst it is difficult to be accurate with the economic costing the incremental adverse impact remains of the order of \$5M/annum that I spoke of at the recent gathering in Deniliquin. Assuming a \$5M/annum payment, 3% inflation rate over 50 years, the present value of that lost cashflow stream equates to approximately \$128M in 2003 dollars.
- **Economics** - The quality of economic impact reporting by consultancies on behalf of bureaucracy on assessing the quantum of impact have been so far out that we believe them to be almost negligent in their undertaking of the work. For example, I have personally lost a minimum of \$50K/annum off my own property from changing water policy. Yet some of the socio - economic reports indicate that the impacts have been negligible. To add insult to injury I have been personally quoted in some reports by other consulting economists as having spoken to me. That is incorrect. In fact they have rung and asked to speak but I have not been available at that time and the consultants have quoted me as a contact point. There have been public reports produced by this office which in fact have been misused and even abused in the process. You may well ask why haven't I followed through with this but be well aware that I'm just biding my time until I can have maximum impact.
- **Mapping Accuracy** - National Parks and Wildlife Service (NPWS) quote the accuracy of their Plains Wanderer (PW) mapping at 90% from aerial photos. We have undertaken subsequent surveys for clients over substantial areas of land and have found up to 90% inaccuracy. That inaccuracy relates to the area of impact. NPWS method of measuring accuracy is to drive to a spot to see if there is any PW habitat but make no effort or calculate the extent and shape. We have had major fights with NPWS and their sub-consultants over procedures which are far from acceptable scientifically let alone morally. At the end of the day NPWS have accepted our mapping after we have stayed with them in the field to check that they are doing everything correctly. For this effort they do not like us but accept that our mapping is correct. Furthermore we have actually had to educate their staff and their sub-consultants in mapping procedures at significant cost to our clients.
- **Education** - The educational standard and experience of DIPNR and NPWS staff has been nothing short of appalling. We have stood their staff over the top of endangered flora species and the staff still cannot identify the species. We have had to show them what to look for and how to manage, identify and map. Yet these untrained inexperienced people are deciding on the commercial viability of businesses and driving their decisions upon emotive and sometimes zealot type reasoning.
- **Blackmail** - We have been involved in the negotiation of a number of "voluntary" conservation agreements. Some of these are still under negotiation and one or two are very close to being settled. In every case the DIPNR staff have unequivocally blackmailed the people into signing off so that they could obtain new statistics and the client retain some level of viability within their businesses. The grab for additional land is becoming greater and greater. For example in one situation the DIPNR staff wish to lock up in excess of 1500ha from within the landholder is not allowed to place any livestock and the landholder must also pay for the fencing as well as the on-going rates and maintain the weeds and do all the other maintenance and operational issues associated with that parcel of land. In return the landholder gets a small area of irrigation. The value of that 1500ha would be \$300K and the net present value calculation of all the future costs have not been finalised.
- **New Environments** - Quite frequently we observe that agencies are trying to establish an environment which they themselves perceive is what should be there rather than necessarily what may have been there. They have no reference point nor do they state an aim of what they are attempting to achieve.

- **Big Boys and Little Boys** - Agencies tend to be harder, harsher and more demanding of the larger businesses and to add insult to injury by providing dual standards to requirements when talking to smaller rural businesses. They seem to forget that big boys and little boys talk and that the double standard is well and truly well understood through out the countryside.
- I don't know what else I can talk about but this should suffice for the handing on to the Productivity Commission as you are best able to.
- If you need to follow any matter through in further detail do not hesitate to contact me direct and possibly the NSW Farmers might be able to use some of the information herein after our prior concurrence in writing.

Kind regards  
Yours sincerely

Bill Booth  
Principal Consultant

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