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WARREN TRUSS M.P. Minister for Agriculture, Fisheries and Forestry.

## SUBMISSION TO THE COMMONWEALTH PRODUCTIVITY COMMISSION

## NEW SOUTH WALES NATIVE VEGETATION ACT

Further to my letter of 19th April 2003, I am making a submission to the Inquiry as suggested by you. I feel compelled to make the Commission more acutely aware of the problems associated with this Act, so that sanity and common sense might prevail. This Act is illogical, unworkable, and extremely detrimental to the owners of rural land.

I am a valuer with 43 years full time valuation experience, including 33 years with the Valuer Generals Department and 10 years in Private Practice. I have extensive long term experience in rural valuations, and was a Senior Valuer for the Department for 19 years before entering private practice.

I was recently provided with a copy of a report on good quality farming land,, with some good quality timbered grazing ridge, provided by the Department of Land and Water Conservation under the provisions of this Act. This report is attached for reference, as it removes the abstract nature of the Act, and illustrates the affect clearly.

Rural properties have potential for development and production, with wide variations in soil quality, topography, rainfall and location. This potential is compared with other properties that have sold, to establish similarities and levels of value applicable. Soil quality is a key factor in this comparison. Land valuers and rural land buyers consider these elements when making an assessment of value based on current sale prices.

The Native Vegetation Act imposes restrictions on land use that destroy this natural comparability, and superimpose a "permitted use" that depends on the ability to cultivate the land. As the "permitted use" of the various parts of the properties that have sold recently, and the various parts of the property that is being valued are unknown to the valuer, or buyer, the comparability is lost.

The cost of obtaining a valuation based on "permitted use", where a property is arable, but only partly cultivated, will be prohibitive, due to the extensive research required, and the inability to obtain the relevant information. As similar quality rural properties vary widely in historic use there will be wide variations in value under this Act.

Properties that have been conserved by minimum cultivation should have a higher value due to higher fertility, but these are now restricted use properties with a much lower value and a lower productive capacity.

Properties that have been continually cultivated, and consequently have a depleted natural fertility, will be encouraged to continue cultivating, destroying any concept of rotational farming and good farming practice.

Properties with good farming land that has not been cultivated for 10 years are now severely disadvantaged, as this land is now regarded as grazing land growing native pastures. This land is type 2 in the attached report.

Value is destroyed, as the practice of cropping and grazing, often with long periods between cultivation, adopted by most good farmers is prevented. The common practice of incorporating weed eradication with cropping to cover this expensive exercise is also prevented, so the chance to eradicate perennial weeds such as Box Thorn and Galvanised Burr is lost. Failure to destroy weeds in this way leads to a downward spiral in productivity and value.

The Native Vegetation Act simply destroys the value of good productive land, without the payment of compensation to the owner. It severely inhibits good farming practice, and will lead to the degredation of many properties. It creates unsurmountable problems for land valuers and property buyers, as it destroys the comparability of properties for valuation and sale purposes.

This Act was apparently introduced to protect our natural heritage for future generations. There are many ways of achieving this goal without sacrificing sustainable production and good farming practice. The Act should be repealed immediately, and replaced with a modern Act that will foster good farming practice while protecting the environment from degredation. The key is good farming practice, rather than stifling controls that inhibit production and encourage poor farming practices.

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Attached please find:

An addendum sheet with some suggestions for a workable Act.

A copy of the report referred to in this report, prepared in response to the Native Vegetation Act by the Department of Land and Water Conservation.

ADDENDUM SHEET, attached to the submission by Ray Perkins.

My suggestions for a revised Native Vegetation Act:

- A. Good quality farming country, with adequate rainfall and no erosion problems, suitably cleared with only scattered timber remaining, should be available for cultivation in areas where this is regarded as good farming practice.
- B. Good to fair quality grazing country should be available for normal use under good farming practice. This may involve the thinning of natural timber to allow good pasture growth and avoid erosion, while retaining shade and shelter belts for stock.
- C. Inferior country with natural timber should be retained for timber and shelter purposes, or developed as a commercial forest.
- D. Natural pastures are present on all grazing country and these are not normally endangered species. Introduced grasses are native pastures in other areas and they often provide better pasture for stock than native grasses. Poor quality native grasses are however useful for the regeneration of depleted land. Good farming practice will encourage natural pastures where these are the most suitable pastures, so the emphasis should be on productive capacity and cost.

E. Eroded or salt affected areas should be set aside for restoration and regeneration work.

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