

# LEVERTON PASTORAL COMPANY PTY LIMITED

ABN: 28 001 218 471

“BOGAMILDI”

MOREE NSW 2400

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18<sup>th</sup> July 2003

Productivity Commission  
LB2  
Collins Street East  
Melbourne, Victoria 8003

Dear Commissioner

## **Re: Inquiry into the impacts of Native Vegetation and Biodiversity Regulations**

Our business is dryland broadacre farming and grazing situated north of Moree in NSW. I am a landholder and am proud of the native vegetation my forebears and I have retained, however the NSW Native vegetation Act 1997 (the NVA Act) has turned that vegetation into a noose around my neck. Instead of enjoying the vegetation, I fear and resent it for the impact it is causing me, my business and potentially future generations of my family.

### **Farming practices (day to day operations):**

Paddocks that would have been cleared on a 20 to 30 year cycle now cannot be cleared. Our land has enormous regenerative ability, regrowth timber, (belah, box and myall) which has not been taken into consideration in the NVA Act. Therefore our response has been to develop all the land that could legally be cleared, even though I would have preferred not to. i.e the legislation has forced us to farm the land so that future generations will have the chance to change land use should the market demand it.

In uncleared areas the regrowth timber has got so thick it has choked the native grasses out and the paddocks now have limited stock carrying capacity. Erosion has started to develop under the heavy timber. Due to the timber regrowth problems we have with this country we are forced to farm as much country as we can because of the restrictive nature of the laws. Uncleared land is slowly becoming unviable and a burden upon the business because it harbours feral animals and noxious weeds and we still pay rates but cannot generate an income from it.

### **Sustainability (the ability to improve your land and the environment)**

We have lost our ability to improve our land and thus the ability to continue to improve profitability on that land which in turn can be then invested back into environmental projects. The long term sustainability of our land is now in jeopardy and this will affect the environment with it. Since the NVA ACT has been introduced there is less incentive to improve the environment as it is a burden to our livelihoods. That is, the NVA Act has had the opposite effect.

### **Property values and returns**

Land that has not been cleared has depreciated in value to the extent where it is very difficult to sell in our area especially as our area has a predominance of farming. The value difference is no longer what it would cost to clear the land but rather like comparing gold to rock. No one wants rock and everyone wants gold. The laws have punished the landowners who preserved native vegetation and have significantly benefited those that have developed.

The Sinden Report ( Social-Economic Study prepared by J.A Sinden University of New England) identified the NVA Act had reduced land values by 21% and had reduced annual incomes by 10% at the date of writing the report. It is estimated the reduction may be as high as 18% by 2005. Based on ABS figures for the year 1997 Moree Plains Shire gross value of Agricultural commodities was \$730,540,000. If you deduct 18% of this figure \$131,497,200 that is a large amount of money that is being withdrawn from our area with no offsetting help from the State Government.

On our farm I estimate the NVA Act is costing our business in excess of \$600,000 a year in foregone production revenue. I have written to the valuer general and due to the native vegetation and the resulting loss of productivity on one block of land it has been devalued by \$200,000.

### **Investment patterns (either on- or off-farm)**

The laws discourage investment in agriculture because you never know when the government is about to further restrict your rights to manage your land in the way that you see fit. I would not purchase land that had not been developed for farming. The laws certainly encourage further off-farm investment which only enhances the decline in regional NSW.

Yours sincerely,

Geoff Manchee