

NATIVE VEGETATION INQUIRY  
PRODUCTIVITY COMMISSION  
LB2, COLLINS STREET EAST  
MELBOURNE VIC 8003  
28.4.2004.

TO WHOM IT MAY CONCERN.

We wish to put forward our case to the Productivity Commission by way of the following Submission.

In December 1996 we became interested in a 1700 Hec block of grazing country between Coleambally & Jerilderie in southern NSW.

After inspecting the property with Elders Jerilderie we could see the tremendous potential this country had for irrigation cropping etc.

We prepared a detailed plan of our intentions for development of this property. The proposal prepared by us involved extensive works, which would be undertaken over a period of 5 years at considerable cost. We expected that, if our proposal was put into place in its entirety over such a 5 year period, then our total development costs could approach a figure of approximately two million dollars. Along with our Accountant, we attended a meeting with 3 officers from the then DLWC. Obviously it would not have been prudent to proceed with such a substantial proposal without first obtaining appropriate assurances from the DLWC & other regulatory authorities. This meeting was very positive.

The 3 officers agreed that 600-650'000 megalitres was a substantial level in the basin & this was supported by the fact that at the time all pumpers in this area were on 150% of their allocation.

It was suggested *the NVO* inspect the property for Native Vegetation & the Plains Wanderer bird. The inspection went well. *We* also had the Drilling contractor do 20 bore holes for rice ground, again with good results.

We proceeded to purchase the property signing contracts & settling on 28.2.1997.

When purchasing *the* property we decided to divide it into 3 Titles (originally 31 titles) to enable us to get 3 Bore Liscenses\_ After erecting 10 KM of new fencing around some of the boundary of the property we again approached the DLWC in Leeton to organise Bore Liscenses & to get the NVO to inspect the property again. The NVO spent 4 hrs going over the property. The area was showing signs of overstocking by the previous owners. One small section had Cotton Bush which was not to be touched. He commented that there was far less than 50% Native Vegetation & we

would be able to work up 85% of the property ( which was permissible under Guidelines for Managing Western Riverina Grasslands) leaving one area of Cotton Bush The NVO provided us with a written opinion, as to the acceptability of such a proposal.

We requested a more formal approval giving us written approval to cultivate the ground. Advice received from the relevant departmental officer indicated that no approval was necessary as the proposed works were consistent with current *guidelines*. The officer had marked a section on pg4 GMWRG clearly stating because there were no trees & the land is covered by less than 50% NV we could plough the land without further consent. By Sept 1998 we had set up 300 Hec of irrigation country & completed one Bore in readiness for the 1998/99 rice crop.

By December 2000 we were nearing completion of the other two Bores. NB. When you are issued with a license to construct a bore, you have 3 years to complete the bore or the license is cancelled. It was of paramount importance to our development that the three bores be completed, as a moratorium had been placed on any more licenses being issued in our area. The infrastructure associated with the bores alone had cost \$ 550'000.00.

The earthwork ie construction of irrigation channels & roads, EM31 , rice drilling etc. by this stage had cost us \$ 350'000.00

The development was going well & preparations were taking place with the surveyors & earthwork companies to set up the next irrigation ground for the 2001/2002 rice crop.

On the 20th December, 2000 we received a phone call from Mr Roger Oxley an officer from the DLWC Deniliquin, who had done an inspection of our property without our knowledge, claiming that we were in breach of the NV Act. To cease any cultivation work on the property.

Three months later we finally received a letter from David Harriss DLWC Albury formally notifying us of the breach.

I shall include a copy of his letter.

It has been stated that even though we are part way through an existing & approved development that we are required to lodge a fresh application, under new guidelines to be allowed to continue our works.

Our position relates to concerns arising because the original proposal for development of the property was approved/ or acknowledged by dept officers, but we are now being advised that we cannot complete such approved works.

We are also concerned as to the indications that any such new application is likely to be denied(under existing guidelines).

The substantial investment to date in the development of this property was incurred on the understanding that this development would be completed.

To let us complete without a shadow of a doubt at least \$900'000.00 of work , constantly in discussion with DLWC people must surely be classed as a development with approval.

The purpose of this submission is first & foremost to portray the effects the Native Vegetation act is having on our fanning family & the farm budget.

We have enjoyed working together & working extremely hard for thirty years. By 1997 we were in a position to attempt to set up a top irrigation property for our two sons Bill & Lachlan.

Bill had just completed 2 years at the Murnunbidgee College of Agriculture, when we purchased the property. His intentions were to help with the development & running of the property, which he did until 2002.

Lachlan worked with Wesfarmers & also put numerous hours into the development of the property.

Bill is now a Rigger & crane operator in Sydney. Lachlan has chosen to do an adult apprenticeship with a builder in Albury.

They were very enthusiastic, but whilst we have Gov Departments who can legislate to change laws at anytime without due consideration being given to the social & economic impact on human lives, they both chose to leave the farm. On present trend they believe this will continue to happen & in time drive many more young people from rural Australia. This was evident in an article in the Weekly Times recently where of 5'000 secondary children interviewed ( from farming families) only 15% would consider returning to the farm.

Last season we used sharefarmers to do the rice crop. Our taxable income from the farm was \$100'000.00.

Based on current figures the profit per megalitre of water on rice corn & winter cereals is \$150.00 per Megalitre.

Had we been allowed to complete our development & utilise all our water we had the potential to have a profit in the vacinity of \$ 700'000.00.

We have been attempting to sell the property but with the problems we are having it is not going to be easy.

The water allocation of 4890 Megalitres is creating a lot of interest, however when potential buyers realise that there is only 300 hectares of irrigation country available it is not so attractive.

Recent action by the Native Parks & Wildlife Authority have not made the situation any easier by including our property within the band for "future habitat" for the Plains wanderer on their map. To date there has never been a sighting of the bird on the place. (This is another story).

Our only hope really is to sell the water separately, & then sell the property as a dry block. Hey Presto! we are back to where we started, it is beginning to sound like Zimbabwe not our once beautiful free country Australia.

The question being asked by many people in similar positions to ours is WHO really controls our farm? we don't we only own it.

Thank you for giving us the opportunity to air our opinion on how the NVA is affecting just one family. It has restored our faith in some small way that the Productivity Commission actually wanted to listen.

Yours Faithfully

Stewart and Jenny Hutchins (Signatures)