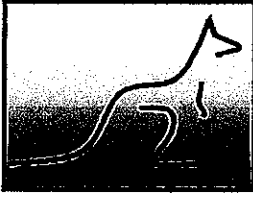


# Knockalong



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25 July 2005

Attention:  
Department of the Treasury  
Langton Crescent  
Parkes, ACT. 2600

Regarding Pine plantations Delegate/Bombala

This letter concerns the increasing proliferation of pine plantations in the Delegate area of southern NSW.

It has become clear to me, that these plantations are being given a particular advantage by the Commonwealth over other farming activities such as sheep and beef grazing.

This is due to the upfront tax incentives for pine plantations under the MIS (managed investment schemes). This is unacceptable, where the tax payer is funding an industry where viability is questionable. Viability of this venture is questioned when the rainfall in this marginal country is unable to support the proposed forest growth. I believe that the tax incentives applied to pre-production should be moved to the post-production as done successfully in Great Britain.

Another point that affects farming activities such as sheep and beef grazing in this area is increased rates. These rates are based upon land values which in turn are based on local land sales. These land sales are predominantly related to the sale of farming land for pine plantations enterprises. The combination of proposed rate of growth and government tax incentives makes for an attractive investment. Combined with the view that plantations are unviable in relation to the proposed plantation rate of growth, it places an unrealistic land value on the surrounding pastoral properties. Land values on our property have increased by 44% in the last three-year period.

I support the use-pays system for transport infrastructure where collected funds are directed back to the relevant road managers. Road maintenance for roads in non-forestry areas has declined where forestry areas have gained a priority for maintenance. Local council is not receiving funds to cover the added maintenance requirements for forestry activities.

As far as native reforestation is concerned, I believe more can be done to support reestablishment of native species on farms. In marginal country that predominantly supports grazing practices, the forest clearing practices of our forefathers has not led to sustainable forest management to support the local ecology. Rocky, treeless ridges are becoming more apparent as the tree cover dwindles. I believe there is a great potential with the aid of incentives to reclaim these areas and bring back the benefits that support both the local ecology, the farming enterprises and global reforestation.

Often all that is required is that these areas be fenced off and allowed to regenerate without the interference of grazing stock. We have many such plantations with both regeneration and plantings. It would be a great incentive if a subsidy for fencing materials was available for such practices.

Water interception is of great concern here I would request an extensive study into the effects of forestry plantations. I am aware that over clearing of land for grazing has been excessive in marginal country and would support the re planting of native species. Pine plantations, on the other hand I do not support as I believe their water interception to be too dominant.

Regards,

Rowan Wright