

LANCE E CLIFFORD
'BROOKSIDE'
27883 TASMAN HWY.,
PYENCANA TAS. 4216

REVIEW OF THE TAXATION OF PLANTATION FORESTRY,
C/- DEPARTMENT OF TREASURY,
LANGTON CREES, PARKES ACT., 2600.

DEAR SIR,

I WISH TO OFFER THE FOLLOWING COMMENTS.

1, "THE COMMERCIAL VIABILITY AND CURRENT TAX TREATMENT OF PLANTATION INVESTMENT"
THE CURRENT PRACTICE LEADS TO VERY UNFAIR TREATMENT OF TRADITIONAL FARMERS WISHING TO EXPAND & YOUNG PEOPLE TRYING TO ENTER THE INDUSTRY OR FARMERS JUST WISHING TO REMAIN VIABLE.
THE SUPPORT TO THE FORESTRY INDUSTRY PUTS ENORMOUS UPWARD PRESSURE ON LAND PRICES TO THE DETRIMENT OF TRADITIONAL FARMERS.

2, WHETHER THE OPERATION OF THE INCOME TAX ASSESSMENT ACTS IMPEDES INVESTMENT IN LONGER-TERM FOREST ROTATIONS WHICH PRODUCE HIGHER VALUE PRODUCTS.
THIS ACT DOES IMPEDE ON THE LONGER TERM FOREST ROTATIONS, DUE TO THE GREEDY NATURE OF THE COMPANYS & PROMOTERS OF FORESTRY INVESTMENT. THEIR TAILORED MADE SCHEMES WHICH SEES THEM SELL UNITS OR BLOCKS OF FORESTRY TO INVESTORS AT NO COST TO THEMSELVES, BUT AFTER A SHORT ROTATION & HARVEST YIELD, THEY THEN OWN THE LAND OUT RIGHT, PAID FOR BY THE INVESTOR, WITH THE PROMOTER OR COMPANY TAKING NO RISK OR OUTLAY, BUT EVENTUALLY OWNING LARGE TRACTS OF LAND. THIS THEN ALLOWS THEM TO EXERT UNDUE & UNFAIR POLITICAL PRESSURE ON GOVERNMENT TO FURTHER PROMOTE THEIR AIMS, SCHEMES AND PROFIT MAKING.

3, THE AMOUNT OF GOVT. MONEY SUBSIDYS AND TAXATION ADVANTAGES & INCENTIVES TO THE TIMBER INDUSTRY FROM PLANTATION TO PROCESSING,
(SEE "PRESS RELEASE FROM SENATOR MACDONALD MAY 2005," A TOTAL INVESTMENT OF \$200 MILLION INVESTMENT IN TASMANIAN FORESTRY INDUSTRY ALONE) WITH \$46 MILLION AT THE HARVEST END TO SUPPORT MILLS, & OTHER FORESTRY INDUSTRIES BUSINESSES")
THIS AMOUNT OF MONEY TO FORESTRY MAKES IT A VERY UNLEVEL PLAYING FIELD FOR INVESTMENTS IN OTHER FORMS OF AGRICULTURE (EG.) DAIRYING, BEEF, SHEEP BREEDING & CROPPING, AND VERY MUCH TO THE DETRIMENT OF THE FAMILY FARM UNIT.

IT IS OBVIOUS THE GOVERNMENT HAS THINGS WAY OUT OF PORTION IN THEIR SPENDING (EG) AT THE MOMENT LARGE AMOUNTS OF MONEY IS BEING SPENT TO KEEP ~~BEFORE~~ FARMERS ON UNVIABLE & REGULAR DROUGHT STRIKEN FARMS & LAND UNITS ESPECIALLY IN NORTHERN & WEST AUST. REGIONS.
WHILST LARGE AMOUNTS ARE BEING GIVEN TO THE FORESTRY INDUSTRIES WHICH IN TURN ENABLES THEM TO TAKE A LOT OF VERY VIABLE LAND WITH GOOD SOIL IN MEDIUM TO HIGH RAINFALL AREAS OUT OF TRADITIONAL AGRICULTURE ACTIVITY TO THE DETRIMENT OF THE LOCAL COMMUNITYS AND FOOD PRODUCTION.

IN CONCLUSION I BELIEVE YOU ARE VERY IMPROVED
OF YOUR CURRENT POLICY.

- 1, FIRSTLY THE LOSS OF THE FAMILY FARM UNIT.
- 2, NO PATHWAYS OR LAND AVAILABLE FOR YOUNG FARMERS.
- 3, THE FACT THAT WHILST FORESTRY INVESTMENT IS GOOD FOR THE SELLER OF LAND, ACHIEVING A VERY GOOD PRICE WHICH OTHER AGRICULTURE PURSUITS CAN NOT MEET.
- 4, ONCE A FOREST COMPANY CAN OBTAIN LAND IN AN AREA, THEIR ACTIVITY BY BEING A HAVEN FOR WEEDS AND VERMIN, THIS SOON MAKES ADJOINING LAND UNVIABLE AND LEADS TO A 'MUSHROOMING' AFFECT IN THE WHOLE LOCALITY.
- 5, THOUGHT SHOULD BE GIVEN TO MAKE IT COMPULSORY FOR FORESTRY COMPANYS & PLANTATION OWNERS ETC TO ERECT AND MAINTAIN A GAME PROOF FENCE, AND TO CONTROL ALL WEEDS ON THEIR PROPERTIES. THE COST OF ERECTING & MAINTAINING THESE FENCES IN MANY LOCATIONS DUE TO THE TERRAIN MAKE MANY PRESENT FARMING PRACTICES UNVIABLE.
I AM SURE THE DAY WILL COME WHEN WE NEED TO PRODUCE MORE MEAT, WOOL, GRAIN, VEGETABLES AND MILK TO SUSTAIN OUR GROWING POPULATION AND BE IN POSITION TO FEED MANY OF THE STARVING MILLIONS IN THE WORLD
"NONE OF US CAN LIVE ON WOOD CHIPS."
- 6, BESIDES THE GOVT SUBSIDYS THESE FOREST INDUSTRIES ARE ALSO MAJOR CONTRIBUTORS TO ROAD DAMAGE ACCIDENTS, TOO MANY TRUCK ON ROADS NOT SUITABLE FOR THEM, AND THE MENTALITY OF THE TRUCKING INDUSTRY IN WORKING LONG HOURS AND DRIVING AT MAXIMUM SPEEDS AND MORE OFTEN ABOVE.
IT IS NOT ~~DEFEN~~ UNCOMMON TO MEET TRUCK OR BE OVER TAKEN BY THEM TRAVELLING AT SPEED WELL ABOVE WHAT I CONSIDERED TO BE SAFE IN A MODERN SEDAN UNDER THE SAME CONDITIONS.
IN TASMANIA RECENTLY WE ARE SEEING A TRUCK TURN OVER NEARLY EVERY WEEK, EXPOSING MANY INNOCENT ROAD USERS TO RISKING THEIR LIVES TO TRAVEL ON THESE ROADS WHILST THE LOG TRUCKS APPAR TO HAVE UNRESTRAINED USE OF THEM

I AM A FARMER NEAR RETIRING AGE, IN A DAIRYING & BEEF FARMING AREA.

THIS IS A HIGH RAINFALL ~~AREA~~ AREA WITH GOOD SOILS, AND HAS PROVED TO BE A VERY VIABLE DAIRYING VALLEY SINCE SETTLED IN THE 1800'S IN FACT ALL THE MAJOR PIONEERING DAIRY FARMS ARE STILL BEING OPERATED AND OWNED BY THE DESCENDANTS OF THE ORIGINAL SETTLERS.

HAVING SEEN WHAT THE ESTABLISHMENT OF PLANTATIONS HAS DONE IN OTHER AREAS, I AM VERY FEARFUL OF WHAT WOULD HAPPEN TO THIS AREA AND COMMUNITY IF PLANTATIONS WERE TO GET A HOLDING OR "WEDGE" IN THIS VALLEY

I AM NOT AGAINST PLANTATIONS OR FORESTRY BUT BELIEVE GOOD QUALITY & PROVEN SOILS AND DEVELOPED LAND SHOULD NOT BE PLANTED OUT AND THERE IS PLENTY OF MARGINAL LAND WHICH CAN BE UTILISED.

I HAVE ENCLOSED A FEW NEWSPAPER CUTTINGS TAKEN FROM LOCAL NEWSPAPERS OVER THE LAST WEEK, AND I HOPE YOU CAN TAKE THE TIME TO ~~PLEASE~~ READ THEM AND REALISE THERE ARE MANY OTHER PEOPLE WITH THE SAME FEELINGS AS MYSELF.

YOURS FAITHFULLY,

Lance Clifford
LANCE CLIFFORD
26TH JULY 2005.