

I submit this observation to the NON -FORESTRY MANAGED INVESTMENT SCHEMES -ISSUES PAPER on behalf of E J & P LIDDELOW & SON ,grapegrowers Manjimup W A
As a family owned vineyard we are concerned at the on going difficulties and long term viability prospect we face in this industry because of

grape oversupply caused at least in part by MIS vineyard operations In all other areas of rural production the federal government has removed regulated production & marketing on the basis that freemarket forces should apply .

The use of MIS schemes are a total contradiction to this philosophy.
MIS schemes operate on tax advantages for income earned in other fields with profitability not necessarily being the prime motive unlike the family or traditional vineyard owner who has to meet interest & repayment commitments to expand or improve their operation.
*This has led to large scale plantings promoted by scheme managers who are assured of up front substantial fees .

Many projects ,now in a oversupply situation are facing difficulties .Witness the collapse of the Palandri Group with debts of \$160 million.

*The situation is such that a taxpayer funded vine pull scheme seems almost inevitable ,to bring supply & demand back into balance otherwise individual & community pain exist well into the future .

Have the MIS schemes contributed to the over allocation of the Murray river ? Almost certainly.

Like most family operations we will endeavour to ride out the current difficult trading conditions by seeking off farm or alternative income but continued use of

MIS will make it highly unlikely we will be able to sustain our involvement long term ... We can only suffer so much pain ..

We believe we can compete successfully in a level playing field ,but the use of MIS does not allow that .

For the welfare& stability of the grapegrowing & winery industries there is an urgent need for a cessation of MANAGED INVESTMENT SCHEMES in NON FORESTRY fields.

--Eddie Liddelow
for E J & P LIDDELOW & SON

R M B 124 MANJIMUP
WESTERN AUSTRALIA 6258