

# RIVERINA TREES

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9<sup>th</sup> Sept 2008

Non Forestry MIS review submission  
Department of Treasury

Dear Sir/Madam

## **Our Business**

Riverina Trees is a small family business that operated a farm tree native nursery and provided a comprehensive service planting and providing necessary silvicultural services to farmers in the southern Riverina / northern Victoria region.

Due to drought this work has caused us to close this part of our business and focus on providing increased contracting services to Boundary Bend Olives. Boundary Bend Olives manages Timbercorps olive grove investments.

Our business is a small family company Elonfire Pty Ltd Trading as Riverina Trees based in Deniliquin NSW.

Our association with Boundary Bend Olives began in 1999. In recent years, as Boundary Bend Olives expanded in conjunction with Timbercorp, our business has grown to employing about 50 casual employees during olive harvesting. Our last planting project in 2007, we employed and subcontracted in over 200 people. That was the last of the MIS funded project. This work had become the most important work to our business and has the capacity to expand if conditions allowed.

Our business has a turnover of \$600 000 to \$800 000 per annum however with no new planting projects this has reduced this turnover substantially.

In our business of Agricultural contracting, our biggest struggle is to have enough work 12 months of the year to employ permanent employees. Boundary Bend Olives provided 6 months of permanent work prior to MIS. We now have only casual employees, if we can source them, when we require them.

Our business has been fortunate to be associated with an extremely dynamic and innovative business as Boundary Bend Olives. Boundary Bend Olives is an extremely efficient agricultural management company however prior to their association with Timbercorp, they had enormous struggle to raise capital to provide new developments necessary to create efficient and highly productive olive plantations. MIS companies like Timbercorp have the credibility, industry marketing, contacts and professionalism to provide the capital to fund

**new developments. Without MIS funds the olive industry would not be achieving world wide recognition for quality and innovation in all aspects of this very young industry in Australia.**

**I have been a member of the Deniliquin Economic Development Committee trying to bring new opportunities to the irrigation districts of southern NSW. Unfortunately we have been unable to attract new agricultural industries to the region however the MIS companies were our prime focus as they had the potential to bring capital , management and marketing to a product, at a scale few individuals or businesses would have the capacity undertake. It is the development of new agricultural products especially products with a large lag time between initial development to harvest and a profit on investment. Communities in rural Australia need new development and investment. MIS can provide a significant part of this. I am not a supporter of MIS schemes investing in traditional agricultural activities especially if they will provide an immediate income and a significant return on capital within 5 years. It is the agricultural enterprises that would not exist without MIS investment that should be maintained.**

**There are a number of questions listed to answer in this submission however a number of them are not very relevant to our situation.**

**Superannuation funds hold the key to future agricultural investment. I would like all superannuation funds with a total value over \$100m be obligated to invest about 5% of the funds into agriculture. This investment could be in shares of agricultural companies as long as they produce an agricultural product from the land or directly investing into farming by purchasing or leasing land. A small number of super funds are investing in agriculture and this injection of funds by purchasing farming properties is already proving to be vital to maintain land values, employment and optimism that farming has a future for young Australians. This form of investment means nearly all Australians have an interest in rural Australia.**

**I hope this review provides some outcomes for future rural investment.**

**Yours sincerely,  
Stuart Sizer  
Owner / Manager**