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Review of Non-Forestry Managed Investment Schemes  
Business Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT  
2600

Dear Sir/Madam

**Submission on Non-Forestry Managed Investment Schemes**

**Economic impact:**

In your opinion do MIS have a tax advantage over conventional farms?

YES! AS THEY ARE INVESTING NOT FARMING! SO SHOULD INVESTORS  
GET THE SAME TAX DEDUCTIONS AS A FARMER WHEN THEY DON'T HAVE  
THE WORRY, FROM CLIMATE, CASHFLOW + USUALLY THE FAMILY BUSINESS,  
SOME OF THE PEOPLE PUTTING THEIR MONEY INTO MIS DO SO, AFTER  
ALREADY HAVING MONEY IN SHARES + PROPERTY, SO THEIR RETURN ISN'T  
AS CRITICAL AS THE FARMERS IS.

How did this tax advantage influence your business? (Unfair market competitiveness, access to capital, is the tax ruling for investors "carrying on their own business" fair? etc)

IT HAS CREATED AN OVERSUPPLY OF FRUIT, AND AN OVERSUPPLY OF  
ANY PRODUCT WILL ALWAYS HAVE AN EFFECT ON PRICE,  
IT TAKES A FARMER A LIFETIME OF WORK TO BUILT UP HIS CAPITAL.  
BUT A MIS PROJECT CAN INSTANTLY HAVE ACCESS TO THEIR MONIES.

How well do you think MIS perform in your area/industry? (Do they use water, labour, chemicals etc, effectively? Does their product stand out? )

POORLY! AS WE KNOW HAVE AN OVERSUPPLY OF POOR QUALITY FRUIT  
AT THE MARKETS + IN THE STORES. MOST MIS FARMS CANNOT KEEP GOOD  
WATER, CROP + LABOUR PRACTICES, AS THEIR ISNT THE SKILLED FARM  
HANDS AROUND TO RUN THESE USUALLY LARGE OPERATIONS.

Did MIS influence your input costs like labour and labour availability, other input resources? (Runner plants, fertilizer etc)

GOOD MANAGERS + LABOUR ARE THE KEY TO ANY SUCCESSFULL  
BUSINESS. LARGE MIS OPERATIONS IN ANY AREA WILL  
ALWAYS PUT A DRAIN ON THESE RESOURCES.

What is the effect of MIS on your markets? (Domestic and International. Have they influenced market price?, supply etc)

AS PREVIOUSLY MENTIONED THERE IS LARGE AMOUNTS OF POOR QUALITY FRUIT IN THE STORES. SO THE FARMER WHO FOR YEARS HAS DEVELOPED RELATIONSHIPS & MARKETS WITH THEIR SUPPLIERS, ARE PUT UNDER PRESSURE TO CHANGE. THE FARMER WHO BUILDS A MARKET FOR THEIR QUALITY PRODUCT, HAS TO REVIEW HIS OUTLOOK ON FARMING. IF EVENTUALLY EVERYTHING IS DETERMINED BY QUANTITY & PRICE NOT QUALITY.

#### **Social impact:**

In your regional area did MIS have any impact on the infrastructure and resources? (Roads, water, accommodation, traffic etc)

YES! THERE IS NOW A HUGE SHED ON A SMALL COUNTRY ROAD, WITH LARGE AMOUNTS OF EXTRA TRAFFIC USE.

Every industry takes time and funds to establish it selves and to develop an infrastructure. Do you think MIS just tapped into costly existing infrastructure like previous research and facilities without contributing anything towards it? (Runner Grower Scheme, existing varieties, DPI research etc)

WE HAVE WORKED CLOSELY WITH THE DPI & THEIR STAFF IN AREAS OF. PEST MANAGEMENT, FUMIGATION TRIALS, & FRUIT VARIETIES. WE DO THIS MOSTLY ON A VOLUNTARY BASIS TO BENEFIT ALL FARMERS. NOT PEOPLE WHO HAVE NEVER WORKED IN THIS INDUSTRY!

#### **Environmental impact:**

What is the impact of MIS on the environment?

THERE NEEDS TO BE GOOD MANAGEMENT IN PLACE WITH THESE LARGE OPERATIONS AS WHEN THINGS GO WRONG IT IS ON A LARGER SCALE. E.G. SOIL EROSION, SPRAYING MISHAPS.

Yours sincerely

MB Schell