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The Government sponsored attack on local land ownership.

A very urgent and important message to all Tasmanians from Bob Loone.

The latest Private Forests Tasmania figures show an alarming annual increase in hectares of Tasmanian farmland that is being turned into forestry plantations. This is due to a combination of at least four government forestry first priority policies that facilitate the loss of local land ownership and agricultural production.

They are:

- The Commonwealth Government's Plantation 2020 Vision
- Managed Investment Schemes (MIS) for forestry plantations
- The State Government's Protection of Agricultural Land (PAL) policy.
- Private Timber Reserves, (PTR) a mechanism under the state Forest Practices Act to silence community objections to forestry. A permanent rezoning with no satisfactory appeal rights.

Plantations 2020 Vision

The Commonwealth Government Plantations 2020 Vision, launched in 1997 seeks to remove all impediments and public accountability that could hinder forestry from imposing its plans and desires on communities at least until the year 2020, including removing all obstacles in the way of forestry taking over farmland.

Managed Investment Schemes (MIS)

The Commonwealth Government's Managed Investment Scheme (MIS) policy encourages and supports the dismantling of established farms and agricultural productivity. This is driven by 100% tax deductible incentives offered to so-called "investors", who pay highly inflated prices up front, for trees they have no control over to be planted on land belonging to MIS corporations. This arrangement is extremely profitable for the MIS corporations. For the "investors" the attraction and driving force is the Federal Government's 100% tax avoidance incentive. The Federal Government is therefore subsidising the purchase, transfer and disposal of our farms and land to MIS forestry plantation corporations.

If normal business principles and economics applied (ie no special tax free investments) the rapid expansion of MIS corporations would stop and there would be very loud screaming from the powerful and dictatorial forestry lobby.

Protection of Agricultural Land (PAL)

I do not support the fettering of agricultural land to non-agricultural use by subdivision, excessive housing, plantation forestry etc.

In the PAL Policy forestry is wrongly described as agriculture. Forestry clearly it is not an agricultural activity. Thus the new spin term "depends on soil as a growth medium" is introduced and used against councils to force them to support the expansion of plantation forestry on all agricultural and rural land. The Plantation Allocated Land, oops, PAL policy is intended to restrict house building on rural land because when MIS corporations get it the house is a nuisance. It appears to all be part of the implementation of the destructive "2020 land grab Vision".

Interestingly the Commonwealth Government made a clear distinction that forestry is not an agricultural crop when it removed tax exemption status for MIS agriculture but not forestry. Farmers producing food do not get access to the huge amounts of special tax deductible money that plantation forestry gets. The PAL policy reeks of hypocrisy. It is estimated that for every one hectare (if any) the PAL policy may protect, it facilitates the loss of production and fettering of at least 1,000 hectares by MIS plantation forestry corporations.

The 'purpose' of the PAL Policy is to protect agricultural land and sustainable agricultural production. PAL promotes MIS plantation forestry that is non-agricultural, unsustainable and destroys agricultural production. Therefore it denies its purpose and facilitates the long-term destruction of its own stated "purpose".

The State Government's Protection of Agricultural Land [PAL] Policy uses the RPDC to bully and force Local Governments into supporting fettering by forestry. The policy promotes the destruction of existing agricultural productivity and sustainability in favour of non-agricultural, unsustainable plantation forestry. Maybe the PAL policy should be called the "Plantation Allocated Land" policy. The draft reviewed 2007 version blatantly forces councillors to abandon the welfare and interests of the communities they represent in favour of facilitating their takeover plantation forestry corporations.

Private Timber Reserves

Forestry receives additional privileged protection and exemptions from local planning controls and public accountability under the Private Timber Reserve (PTR) legislation.

These ongoing exclusive privileges, guaranteed by State Government, are not subject to review. PTR's legally protect and exempt forestry activities from community accountability for impacts inflicted on the environment, threatened species, water, air, neighbours or communities in perpetuity.

Hectares of farmland lost per year is rapidly increasing

Established farms are rapidly being closed down and turned into unsustainable, non-agricultural, forestry plantations.

In 1997 when the Plantations 2020 Vision was launched there were 4,552 (ABS1997) farms in Tasmania. From 1997 to May 2007 it is reported with evidence that up to 1,000 farms (about 22%) have already gone to MIS corporations.

The table below shows the rapidly increasing amounts of cleared land that was converted to forestry plantations over last three years:

| Year | Hectares per year lost to forestry plantations | Increase |
|--------|------------------------------------------------|----------|
| 2003 | 1,158 | N/A |
| 2004 | 3,563 | 205% |
| 2005 | 6,266 | 75.8% |
| 2006 | 16,518 | 163.5% |
| TOTALS | 27,505 | 444.30% |

Table drawn up using latest Private Forest Tasmania (PFT) data.

If this rate of increase in plantation growth continues until 2020, Tasmania will belong to and be controlled by MIS forestry plantation corporations. Most of our farms and our economy will be destroyed.

Some claim that high production land is hardly affected but this is not so. If we consider only land classes 1 to 4, the average increase during 2005 and 2006 was 153% pa. If this rate continues, before 2012 a massive 360,955 of the state's 703,109 hectares of land classes 1 to 4 will belong to MIS plantation forestry corporations.

There appears to be no plan to control or limit the expansion and increasingly rapid growth of MIS plantation corporation take-over of Tasmania's agricultural land. Both Government and industry are vigorously promoting the unregulated, unplanned, rapid expansion of MIS plantation forestry.

It makes no sense to be growing trees to make paper when other plants like hemp and/or kenaf can produce four times the quantity of fibre in the same period. The only conclusion we can make is that Government sponsored **Managed Investment Schemes are more about the removal of land ownership from local farming families than about forestry. The indications are that it's more about a tax-exemption fueled land-grab than it is about growing trees.**

Council Rates Comparison

Burnie Municipality council rates on farmland owned by plantation corporations ranges from \$7 to \$14 per hectare depending on land class. Farmers on the same land classes receive a demanded for \$34 to \$43 per ha. That means that farmers on average pay over 300% higher rates per ha than similar land owned by plantation corporations. Not only farmers but the low amount of rates collected from forestry plantation corporations. Ald Ryan research.

Social issues

To maintain and expand Australia's economy whilst ensuring the well-being of Australia's agricultural communities, the nation's farms **must** be kept in local and family ownership.

The corporatisation of Australia's farms means present and future farmers will be denied access to farmland. We all know that Australia's current economic boom fuelled by the extraction of finite often highly polluting natural resources. Clearly this is unsustainable.

Alarming we are seeing the expansion of economic activities, opportunities and benefits that land would generate under agriculture reversed. Many people both now and in the future can expect a lower quality of life with far fewer options. Rural communities, farmers, job seekers, businesses and governments all lose out.

Our capacity for food production is reduced as farms are shut down and the soil is robbed of its water and fertility. Nearby and neighbouring farmers suffer reduced production and increased costs to the point of being unviable.

Environment issues

Generally worldwide lower rainfall and less sunlight is already seriously affecting food production. The Murray Darling is a case in point. Against that background to be disposing of our land to MIS corporations for forestry plantations that lowers the groundwater table and deny remaining farmers of the water that would normally be available again makes no sense.

The water requirements of forestry plantations are about four times more than farming. Dramatic reductions in creek and river flows are forecast. The removal at no cost of huge amounts of water from catchments by rapidly growing forestry plantations impacts heavily on its availability and reliability for paying users eg farmers etc.

We must also be aware of the seriously harmful health, air, water and environmental contamination issues associated with the application of secretive mixes of highly toxic herbicides and insecticides. Multi-chemical mixing increases toxicity. The heartbreaking effects of chemical poisoning are just becoming evident to the Australian community. These chemicals are designed to kill: they do it very well.

Economic considerations

It makes absolutely no sense to build expensive dams, or pump and pipe water long distances, when highly productive farms with access to irrigation, even set up with water storage and pivot irrigators, are being destroyed and turned into MIS forestry plantations.

Is it responsible economic management to offer 100% tax free "investments" exclusive to forestry that costs taxpayers around \$600M per year in lost revenue? That money is needed for health, education or tax relief for lower income workers.

Is it responsible economic management to promote policies that close down farms, businesses, agricultural production, jobs and communities?

Is it responsible economic management to promote a MIS policy that establishes unsustainable plantation forestry and reduce the economic production of that land by 85%?

Forestry only generates about 15% of the income and economic activity of farms. Compared to agricultural production plantation forestry reduces the economic activity generated from land by at least 85%. The loss is further increased if production losses inflicted on nearby properties is considered. Unlike a drought or cyclone the production and economic losses are not just for one or two years but are ongoing, into perpetuity.

The Commonwealth Government taxation loss is \$3,207 per hectare for land purchased by MIS plantation forestry corporations (Belcher research based on forestry information) The \$3,207 per hectare initial tax loss is multiplied many times if the ongoing loss of GST, income and other taxes that land could generate if used for farming is considered. The huge land ownership of MIS plantation corporations can

be transferred to foreign operators via a simple majority share purchase on the stock exchange. Do we want our land and economy controlled by foreign corporations?

Legacy of lament

Forestry accounts for only 1% of Australia's GNP (Australia's Forests 2007). The destruction caused by MIS plantation forestry causes; its high and ongoing cost to the country and to communities; the covert political power and influence; is out of all logic and economic proportion when it only accounts for 1% of our GNP. Without the tax avoidance incentives and other subsidies it would go belly up.

Our children will lament the debilitating and ongoing losses we will all be forced to suffer because of the Commonwealth Government's Plantation Managed Investment Scheme and State Government's PAL policies?

We look back with sadness as we remember how the Indigenous Tasmanians were dispossessed of their land. Now we are rapidly being dispossessed of it. History so often repeats itself.

All the indications are that the accelerating land purchasing by MIS corporations will continue to increase. We must act as a matter of extreme urgency if we wish to retain enough critical mass to avoid closing down our processing facilities.

Do you remember the haunting words of Federal Liberal MP from WA, Wilson Tuckey who said that Tasmania should be abandoned and turned into a big forestry plantation?

Tasmania is too beautiful a place to let be taken over and destroyed by the Federal Government's tax avoidance driven MIS plantation forestry corporations. The 100% tax avoidance "investment" incentives (which amount to taxpayer subsidisation) driving this national disaster should never have been allowed for farmland. It should be removed as a matter of extreme urgency.

What needs to happen?
The Commonwealth Government must remove the 100% tax free subsidy offered on money given to MIS corporations.

We must make a strong stand against the loss of our land to MIS plantation forestry corporations because of the serious and long-term impacts it inflicts on our welfare and economy. The situation is urgent. Powerful forestry forces appear to control both major political parties. We must put our differences aside and work together before our farmland is gone and Tasmania's agricultural critical mass is lost. Our state is in danger of becoming a permanent struggling backwater.

Please be aware of the urgency and gravity of this ongoing government inflicted disaster:

"We need to alert more people to the debilitating cancer that is in our midst. We need to do it not to win or lose but as a matter of principle as responsible citizens of Australia acting in the public interest. Our fathers fought to protect this land for us and now we are subsidising the disposal of our children's inheritance. Do we want to go down in history as the generation that willingly lost the land it held in trust for future generations? Are we willing to do what is right and true with integrity?"

Some suggest that we pressure our Commonwealth and State Government representatives to declare a moratorium on all further sales of farms to MIS plantation corporations until a proper and independent enquiry is conducted by truly independent and uncompromised investigators. We will probably find that many are too compromised by forestry to support that but we can but try.

To put it straight and clear,

"This is the decisive hour on this crucial issue. It will determine who will end up controlling the bulk of our farmland, economy, lifestyle options and living. Do you and your family want to see Tasmania and Tasmanians controlled by MIS Corporations whose prime interests are to cut costs and maximise profits and be open for multinational or foreign take-over?"

On the issues of forestry and farmland ownership our governments have failed us. Almost all of our present State and Federal Politicians refuse to acknowledge or listen. Proper communications and consultations on these issues is denied.

Sadly we are left with little option but to revert to people power.

"I call on the people of Tasmania to reclaim our right to democracy, to hold our governments accountable and to do what is best for our communities. We need representatives who refuse to be enslaved to forestry demands. We need to encourage our representatives not to be intimidated. We need leaders who refuse to put industrial forestry dictates above the economy and welfare of all other industries and our communities. At only 1% of Australia's GNP we cannot afford to continue to let forestry be the tail that wags the dog."

We need to arrange large public meetings to voice our concerns. We must do so for our children, for the protection of what's left of our agricultural land and production, for our lifestyle, environment, communities, potential and our economy. We must act quickly. The latest forestry supplied expansion figures and government policies tell us that unless there is urgent and serious intervention, our productive farms will increasingly continue to be going, going, gone.

Do we inherit the land from our fathers or borrow it from our children?

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