

Native Vegetation Inquiry
Productivity Commission
LB2 Collins St East
Melbourne Vic. 8003.

Submission from Graham Davies

W.A..

Property:.

Having been prevented from clearing any of the 1300 Ha of native bush on our property by the W.A - Department of Agriculture and the W.A. Environmental Protection Authority (EPA), following two separate applications to clear 400 Ha on Loc 6783 and 120 Ha on Loc 6782.

Following on from our discussion with Brian Fisher, Barbara Aretino and Anna Matysek, on Friday 20th June 2003 in Albany, I submit the following:

1. Valuation Report on Loc 6783, dated October 1999, giving valuations under various criteria as set down by Ag WA Farm Bis.
2. Copy of submission to Legislative Council of WA Standing Committee on Public Administration, dated 1-12-2001.
3. Copy of submission to WA Farmers Federation, dated 10-08-02.
4. Copy of letter from Ag WA Albany O.I.C., dated 19-08-1992, which accompanied auction documents when we purchased Loc 6783.
5. Copy of letter from Kim Chance, WA Minister of Ag, dated 24-06-02, urging acceptance of Natural Resource Adjustment Scheme (NRAS).
6. Plan of property, not to scale.

During our discussion, Brian Fisher asked me to submit figures on the cost of clearing land and cropping on our farm. Bearing in mind that -

1. The 'bush' consisted of mallee -blackboy - chittick - heath, much of it regrowth, having been cleared or partly cleared previously.
2. I had the machinery to do much of the work myself.

Clearing costs in 1998 estimates would be as follows:

By Contractor:		By Owner:	
Chaining down	\$5/Ha	Blade ploughing ..	\$20/Ha
Firebreaks	\$5/Ha	Chaining/Root Raking/twice....	\$40/Ha
Dozer raking	\$40/Ha	Ploughing twice....	\$40/Ha
Labour/burning etc	\$10/Ha	Fencing @ \$1000/Km	\$40/Ha
		Dam @ 1 per 400 Ha.....	\$20/Ha
Total	\$60/Ha	Total	\$160/Ha
Combined Total	\$220		

Cropping Costs and Margins:

Bearing in mind that newly cleared land has a weed free status for the first few years and is ideal for growing seed crops of new varieties of lupins, cereals, canola and clover that would return much more than standard crops. However I have done the margins on standard crops on newly cleared land.

Year 1 - after one year fallow. WHEAT CROP.

Costs:

Seed - 70 Kg/Ha @50c/Kg	\$35/Ha
Fertiliser S.Cu.Zn.Mo.- 180 Kg/Ha @ 35c/Kg...	\$63/Ha
Urea - 60Kg/Ha @35c/Kg	\$21/Ha
Planting and Harvesting Costs	\$50/Ha
Depreciation, Wear and Tear etc;	\$10/Ha
Cartage of Grain to Bin	\$20/Ha
Total	\$200/Ha

Returns:

@ 3 ton/Ha @ \$200/ton	\$600/Ha
or @ 2.5ton/Ha @ \$180/ton	\$450/Ha
Gross Margin	+ \$250 to \$400/Ha

Year 2 - LUPINS.

Costs - similar to wheat, less urea \$200/Ha

Returns:

@ 1.5 ton/Ha @ \$250/ton	\$375/Ha
Gross Margin	\$175/Ha

Year 3 - MALTING BARLEY.

Costs - similar to wheat

Returns:

@ 4 ton/Ha @ \$180/ton	\$720/Ha
Gross Margin	\$520/Ha

Margins do not include, fixed farm costs, house-sheds-yards etc, machinery replacement, finance costs, & living costs.

After year 4 or 5 of cropping, clover pasture could be established at a cost of \$40 to \$50 / Ha for seed & fertiliser, & after year 1 the pasture should carry 5 - 7 dry sheep per Ha, with annual fertiliser costs of \$25-\$30/Ha including cartage & spreading. After a few years of pasture the land could sustain a crop / pasture rotation of 1 in 1 out, or 2 in 2 out, growing Canola yielding 1.5 to 2.0 ton/Ha & Malting barley yielding 3 to 4 ton/Ha. Such rotations & yields are common in our area & quite profitable at current prices.

By being prevented from clearing my land I have lost a lot of production as well as capital value.

In the absence of any other offer of assistance or compensation, we accepted the offer made by AgWest Farm Bis. under the N.R.A.S. in early 2002. Since then the process of surveying the 800 Ha & 200 Ha blocks of bush onto separate titles has progressed at a snail's pace. Currently we are almost at the point of getting the separate titles for the bush blocks and the balance of the farm. When this occurs we will get the 'assistance' offered under the scheme, which falls well short of compensation for what we have lost.

It is my long held belief that environmental harm in the form of rising water tables and salinity, in W.A. at least, is NOT caused by clearing native vegetation, but by what we were advised to grow on the land after clearing. Removing perennial native vegetation and growing short season, shallow rooted, annual crops & pastures has obviously upset the water balance, but had farmers been advised to grow perennial crops & pastures, had such crops & pastures been made available by the Ag. Science and research industry, the outcome of the past 100 years would be very different.

The Ag. Science & Research industry must take a huge part of the blame for dryland salinity & rising water tables, and they have been very slow to learn. Right up to today they give us more of the same. So should the landowner be punished for

clearing the land or be prevented from further clearing ?No.

Should the landowner bear the full cost of conservation or restoration?.....No.

Landowners have the responsibility to maintain their land in a stable, productive state, in line with modern agricultural knowledge, but the community must realise that farmers can't be 'green' if they are in the 'red'. Landowners have implicit property rights, including the right to clear, and if the state sees an advantage in stopping any practice, financial inducement should be used, not a blunt instrument.

The place for Biodiversity conservation is in National Parks & Reserves not private freehold land. Biodiversity does not figure in my balance sheet.

If a landowner chooses or is forced to retain an area in native bush, he/she should be entitled to "Carbon Credits" just as much as a plantation owner. (should such things come to pass)

Signed:

Graham Davies