

Darren and Peter Hepburn  
Victoria  
21<sup>st</sup> June 2003

Productivity Commission  
LB2 Collins Street East  
Melbourne, Vic 8003

**RE; Submission for inquiry into native vegetation and biodiversity regulations.**

Dear Sir / Madam,

I live on a property at Lower Bendoc in Victoria, right on the border of N.S.W. I have lived on and owned this property for 43 years and have been debt free for many of those years.

In 1993, a property on the NSW side of the border, came up for sale. The property consisted of 504.6ha, of this 110ha was cleared sown down land, and the rest was pretty heavily timbered. My son Darren was very interested in this land, so we decided to try and buy it. Having worked in the timber industry myself for many years, I had a fairly good idea of the value of the timber on it. In actual fact, there was enough pulp wood and saw logs to virtually pay for the place with some left over.

I then proceeded to contact 5 different government agencies, ie; Bombala Shire, NSW Forestry, National Parks, EPA and DLAWC. There were no restrictions on harvesting the timber and I have that in writing from 3 of the above agencies.

We then went ahead and borrowed \$300,000 and brought the place on an interest only loan until Harris-Daishowa, - (Chip mill in Eden), could start harvesting the timber. Harvest was to begin in January 1996.

In August 1995, the NSW Government bought in Sepp 46, and stopped our intentions on the spot. In late 1995, Paul Keating then stopped all timber from private property, going to the Chip mill for twelve months. In October 1996, we put in an application to harvest to the DLAWC. They rejected the application on the spot due to lack of information. We then got another one drawn up by the Mayor of the Bombala Shire, it was lodged on the 20th October 1997, and it took them 8.5 months to reject this one.

Our original intention was to harvest the timber and then clear about 200ha for grazing and either let the rest regenerate, or put a plantation in it. After the introduction of SEPP 46, we could not clear for grazing, so we decided to put a hardwood plantation in, on 392ha, in a joint venture with Harris-Daishowa, - if we could get permission to harvest the timber. This was rejected. Harris-Daishowa would have harvested the timber for us to pay for the place, and then done everything involved for establishing the plantation. They would harvest this in 12 years time and we would have had no say in the final harvest. Over the 12 years, they would have paid us \$1.4 million for the use of the land, this would have meant \$116,000 a year, plus \$1.7 million for the contractors to harvest it, \$1.4million for the truck drivers and \$580,000 to establish the plantation. This would have meant a total of \$5.0 million in our local economy over the 12 years, making it a very valuable piece of land.

If we had been able to clear the 200ha, plus the 109ha already cleared, the property, when fully developed would have carried 8-10 DSE. This meant the property could run 2.5 - 3,000 sheep.

Since buying the property on 1st December 1993, we have paid over \$250,000 interest and are still paying, we should not be still paying as the property should have been paid for well and truly by now. It has been a battle paying this sort of money, with the worst drought this area has seen in my lifetime of 64 years, plus the lowest wool prices in a long time, don't make it any easier.

I have now sold 180ha of my own land for \$190,000, to bring the debt down to a manageable level. This coupled with the purchase price of \$300,000, and \$250,000 interest, means the property has already cost us about \$700,000, or \$1388.00ha against the purchase price of \$595.00ha. It is my belief that the government owes my son and I a majority of the interest and the full amount of what I had to sell my block of land for. If these laws were not introduced, I would have not had to sell my block of land, that I owned and meticulously worked for many, many years. This does not include the monies we believed are owed to us for stress, anxiety and sleepless nights, as a result of such **un - thoughtout regulations and nonsensical laws.**

It is impossible to get any sense out of DLAWC as they say there is nothing they can do. The only thing money wise they could come up with was for us to fence out 200ha, in perpetuity for them, as a mini National Park. My son and I would then be honorary national parks rangers. They would have given us \$90,000 to buy fencing materials, erect the fence and control feral animals and weeds within the area. There would be no money for the

land itself which would have amounted to us giving them 200ha of land that we have already paid \$277,600 for, and that is not on.

We didn't accept this deal at all. They have now decided to pass 106ha for us to clear, but this will go nowhere towards what Sepp 46 and all the other regulations has cost us.

One of our main problems is that we couldn't sell the land to get out of this predicament because the land went from a value of \$300,000 to virtually nothing overnight, and nobody would buy it.

We have exhausted all avenues in an attempt to get this property paid for, to no avail. Hopefully this inquiry will reveal these **laws and regulations to be the nonsense** that every level - headed person knows they are.

I hope this short explanation can bring to light our current financial and emotional situation that has arisen solely from the above mentioned regulations.

Thank you for your time.  
Peter and Darren Hepburn