

Local Impact Study of Defence Acquisition-Marlborough and Surrounds

Although my family is an affected landowner, today I am representing Property Rights Australia and I have been asked to pass on the apology of our Chairman Dale Stiller.

Size of Acquisition

There are many unanswered questions about the acquisition of property for the expansion of the Shoalwater Bay military training area. One is why most of the publicly available information was very, very careful to cloud the fact that the upgrade of this training area involved compulsory acquisition at all, much less acquisition of such a large land area.

Having scanned the original variation to the trade agreement and much of the subsequent media coverage, one thing stands out and that is the avoidance of talking about acquisitions. There is positive spin on the cash injection, upgrades to roads, telecommunications and infrastructure and the benefits of having increased troop numbers. Most emphasised was the doubling of troop numbers and the tripling of the length of time they would stay.

One would have had to have been an extremely cynical reader to glean from any of the reports that huge tracts of country were to be compulsorily acquired. We still have questions about how much detail politicians had and who might have been consulted on behalf of the agricultural community. Rural landowners had no idea about proposed area expansion and certainly not any concept of the magnitude of it.

Landowners still have not been informed as to why the military needs so much land. Local landowners, businesses and community should be treated with respect. As an impacted landowner I believe we could be forgiven for feeling as if this has been a bit like a secret military exercise and we are the enemy.

In general, all levels of government are too keen make headlines announcing deals with multinational companies and foreign governments. It would appear that the attraction of millions (or billions) of dollars blindsides consideration of the people, their property rights, local economic disadvantage and amenity of life. Government should consider the interests of communities and landowners first, not last. People should not be seen as simply an impediment to implementing what has already been decided.

Land Management

There has been some unconfirmed but widespread reporting that the Shoalwater Bay area has thickened and become overgrown making it difficult to impossible to conduct manoeuvres with tanks ect. If this is the case and the consequence is that Defence now want some open country that has been cleared, seeded with improved pasture, nurtured, husbanded and used for a productive purpose they should look to doing the same to the existing military area.

Assuming that these reports are accurate, Defence needs to shoulder its land management responsibilities in its training areas to retain the purpose for its use. It would be beyond the pale if, after the initial avoidance of mentioning land acquisition, landowners and community find that highly productive agricultural land is being taken to avoid green scrutiny of what can sometimes be inaccurately billed as environmentally unfriendly practices.

Readily available is established rangeland science and soil science, namely, that in many bioregions grass cover is more efficient at preventing erosion than tree cover.

The science says that as basal stem area increases, ground cover and resultant erosion control, lessens. This has been forgotten in regard the much talked about sediment load to the reef.

Politicians and others need to listen to the science as proposed by the appropriately qualified scientists who have expertise in land based science. Only in relatively recent times, since the rise of influence of multi-national environmental groups has there been this bleeding of expertise across disciplines. Historically there has been strict separation.

With expert help from those skilled in the field it is possible to clear, seed and nurture good grass cover and the necessary open space without the necessity to acquire it from unwilling sellers

Quality of Country

The acquisition area has bullock country, improved pasture and agriculture.

Almost all of the 46 properties in the Shoalwater acquisition area have areas of quality country which fattens cattle for heavy and premium heavy markets.

There are also considerable areas which have been cleared, sown with high protein grasses and plants or are used for hay and agriculture.

The whole area is significant to the beef industry and the community contains some of the most experienced, dedicated, professional and capable cattlemen in the country. This is a significant body of knowledge. It was in the mid 1980's that the first Best prac group in Australia was started under the guidance of Dr. Richard Clark with the participation of many of the acquired families.

It is also very strategic for some owners. Many of those landowners in Western Queensland who were forced to destock due to drought during the shockingly low prices of 2013-14 will not be able to profitably re-enter the beef industry. Our family's Western cattle at least had a home to come to until they could be housed elsewhere. It was a very important strategic fall-back for our business.

Yet again this decision demonstrates lack of any understanding of the agricultural productivity differences between different land/soil types. With productivity vastly greater on superior land types, it should be an imperative that governments firstly target low quality soil types for urban expansion, mining and petroleum activity, infrastructure and military use.

Biosecurity and Customs arrangements

Singapore itself does not have foot and mouth disease but it is very close to many countries who do have a range of diseases, including FMD, which are highly contagious and persistent and are important to Australian livestock and crop production.

Landowners would like to know what biosecurity arrangements will be made to ensure that no diseases, pests or weeds will be imported, including in soil attached to equipment and personal possessions or in foodstuffs. We do not just want assurances, we want full operating instructions about washing, spraying, quarantining and other relevant measures.

Importantly, what is the chain of responsibility for biosecurity and extra emergency measures? How quickly could they be mobilised, to deal with a current outbreak of a commercially sensitive biosecurity incident either in Australia or Singapore. Will there be agreement to pause an exercise if Singapore has a biosecurity incident prior to and exercise.

Compensation for Biosecurity Issues

In Australia there are a limited number of diseases which are considered of such importance to livestock production that they are compensable. We want an agreement that even diseases outside that group would be adequately compensable if they are not endemic to the local area. We do not want to see a repeat of the situation where a commercially significant disease needs to be taken care of but without compensation.

Too often primary producers are asked to bear significant cost “for the greater good”.

Effect on Property and Cattle Markets

One of the first issues that needs addressing is where an estimated 120,000 to 150,000 head of cattle are going to relocate to. This aspect will need to be handled very skilfully and sensitively. If this is not done, forced sales in a very sensitive market can easily cause a decrease in price. Any glitch or decrease in price is unacceptable. Contrary to some of the city centric opinion that they will just “relocate” that is a lot of cattle to find new homes for.

The other consideration is that the Defence Department will effectively be throwing 69 existing businesses, over two areas, most of whom would not be in the market over such a confined timespan, onto the property market. This is a lot of extra players and there is a window beyond which capital gains tax concessions do not apply.

Land values will skyrocket.

I hope the Department has factored that into their compensation packages. Valuation plus 10% will not allow replacement of property for one of similar quality with such artificially created demand in what is a small specialist market.

Effect on Local meatworks and Beef Industry

The Marlborough /Shoalwater Bay catchment is a very important source of prime cattle for both Teys Cargill and JBS in Rockhampton with some also going to Teys Biloela, Mackay and Southern works, many of which cater to high value boutique markets.

Cattle also go to live export and feedlots. There are also agents who co-ordinate many of these sales who will not be eligible for compensation.

Effect on Local Businesses

In villages such as Marlborough mechanics sheds, the local hotel, the local grocery shop and fast food shop, the service station and a local produce business is reliant on local business for survival. A very large part of their market will be removed.

Unlike landowners who are required to be paid compensation with just terms, business owners who can be driven out of business by a move such as this are not entitled to any compensation.

Largely forgotten are the fishers holding various licenses for fish, prawns and crabs who will lose access to their grounds and are also not entitled to compensation.

Uncounted are likely to be other niche industries such as forestry and beekeeping.

Effect on Rockhampton Businesses , which Serve Rural Industry

There are many businesses in Rockhampton which serve and have served rural industry for many years.

They will be adversely affected with a probable 46 local rural businesses out of circulation with a multiplier effect on the whole local economy.

These include feed merchants, stock and station agents, trucking companies (who I believe are represented here today), and many more. Included are any which provide repairs and maintenance services for rural businesses, equipment suppliers such as solar pumps, farm equipment sales and service and many more. Most of these will not benefit from Defence occupation and they will not be eligible for compensation.

Economic, Social and Environmental Impact Study

For any other move which is likely to have such a large community impact it is a requirement to have economic, social and environmental impact studies before this sort of operation commences. Where is the study which shows the effects **on our** lives?

KPMG has been touted as the company likely to do this study.

Not only should it already have been done, WE very much hope that they have enough expertise to scope out ALL the affected people and businesses and the entirety of the negative effects and not just the positive city effects which will largely be a transference of wealth from one group to another.

The Rockhampton Morning Bulletin has written that there will be \$1billion injected into the Rockhampton area from 2016 to 2026-\$100m per year. The figures presented today are all estimates but it is quite possible that cattle sales come close to that and with the effect on other business may match it. Defence needs to ensure that it is not simply rearranging the deck chairs.

We want assurances that every effect, not just on landowners, but every forester, fisher, beekeeper and all the services which form part of our community are covered in full and scoped out for the entire 25 years adjusted for inflation.

Effect on Councils

A conservative back of envelope calculation of rates forgone in Livingstone would be at least \$2m. Is compensation being paid as without it Livingstone will probably have no choice but to re-amalgamate with Rockhampton?

Consultation

There has been no consultation or viable explanation.

Closing

I would like to thank Dannielle McKenzie from Marlborough Motors for arranging this meeting. I would also like to thank everyone who came and particularly non landowners who support our industry.

I would also like to thank the media for telling our stories.

To landowners, this will be a long haul, stay calm, support one another and get a lawyer.

Thank You,

Joanne Rea on behalf of Property Rights Australia

www.propertyrightsaustralia.org
pra1@bigpond.net.au

Ph 07 4921 4000
Fx 07 4927 1888

PO Box 2175
Wandal QLD 4700



122 Denham St
Rockhampton QLD

Office Hours: 8am-1pm
Tuesday & Thursday

Further Background – next page

Singapore Facts

Singapore is a Commonwealth country which gained independence in 1965. After that Commonwealth military forces started to withdraw with New Zealand being the last to leave. Singapore formed their own military in the late 60's.

Singapore then relied on support from the Israeli military and many of the principles it follows still follow Israeli principles such as compulsory conscription and a large reserve force at all times. Much of its equipment is sourced from Israel.

After a rocky start, the military was finally established by legislation in 1972.

Singapore was part of a NATO led security assistance force in Afghanistan from 2007 to 2013. From 2013 to the present Singapore has been part of the war against ISIL.

Singapore is a small city state of 720 sq. km (less than the present Shoalwater Bay area) spread over 63 islands, some of which have been joined by reclamation projects.

It is ranked 64th of 126 countries in terms of military firepower.

Biosecurity in Singapore is the responsibility of the Agri-food and Veterinary Authority of Singapore. It is conscious of its biosecurity measures and has successfully excluded or eradicated many diseases such as rabies or diseases important to livestock production and animal health. It is free of FMD. However, it borders on countries which have FMD and carries out exercises in countries such as Taiwan which have foot and mouth diseases.

Singapore imports eggs, chickens and ducks from Malaysia. In 2010 when there were outbreaks of Newcastle disease in many parts of Asia it was vigilant.

Strategy

As well as Australia, Singapore has bases in Taiwan, Indonesia, France multiple bases in the United States, Thailand and Brunei. The US has one base in Singapore.

As a small nation in an area where there may be countries hostile to it I can see the military sense in having your firepower spread in diverse areas of the world.

Singapore is currently in dispute with China over nine terrexes which have been impounded in Hong Kong Harbour on their way back from exercises in Taiwan. China claims it is going to melt them down as scrap metal.

Alternatives

One of the best suggestions I have heard, and I think it could be brilliant, is to make use of the almost deserted Schergar Base (13000 ha) near Weipa. Weipa has a good deepwater port and the development which could take place there would be a boost for Northern Australia. It would also be a good move to have a firm ally in charge of one of our Northern Ports.

The Charters Towers group of affected landowners have discussed an alternative large area of land of lesser agricultural productivity as an alternative to expanding the Townsville military training area. This alternative area of well over 300,000 ha offers plenty of room for land manoeuvres. Perhaps if the defence need is for land manoeuvres an area such as this would suffice and would inject some much needed funds into a more disadvantaged area.

Links

<http://dfat.gov.au/trade/agreements/safta/Documents/agreement-to-amend-the-singapore-australia-free-trade-agreement.pdf> Variation to agreement

<http://www.abc.net.au/news/2016-05-28/singapores-military-might-on-show-in-defence-partnership/7452122?pfmredir=sm> May 2016

<http://www.scmp.com/news/hong-kong/law-crime/article/2056945/singapore-issues-sixth-call-hong-kong-return-nine-military> Terrexes impounded

<https://www.quora.com/What-would-happen-if-Malaysia-and-or-Indonesia-invaded-Singapore>

<http://www.channelnewsasia.com/news/singapore/singapore-australia-committed-to-building-new-military-training/3397048.html> 27/12/16 *When the development in Townsville is complete, the Singapore Armed Forces (SAF) will have a total training area in Australia equivalent to 10 times the size of Singapore, up from the current six times.*

<http://www.weeklystandard.com/how-beijing-is-penalizing-two-u.s-strategic-partners-in-asia/article/2006066> Hong Kong seizes tanks

<http://www.abc.net.au/news/2016-05-06/singapore-to-expand-queensland-defence-bases/7389168> May 2016

<http://www.popularmechanics.com/military/weapons/a23907/singapore-fighter-jets-land-highway/>

<http://www.army-technology.com/features/featuremays-top-stories-vietnam-arms-ban-lift-singapores-17bn-on-australian-bases-4914334/> upgraded

<http://www.ibtimes.co.uk/chinese-military-adviser-says-singapore-should-pay-price-south-china-sea-spat-1584308> China Singapore

<https://www.ncbi.nlm.nih.gov/pubmed/12530354> FMD in SE Asia

<http://mobile.abc.net.au/news/2016-05-09/rockhampton-mp-cautious-over-singapore-defence-deal/7395234> carefully not mentioning or knowing about any expansion in area

<http://mobile.abc.net.au/news/2016-05-06/singapore-to-expand-queensland-defence-bases/7389168> May 6 positives no acquisition

<http://www.oie.int/doc/ged/D5036.PDF> FMD information

<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22chamber%2Fhansards%2F78dd1315-9808-45a9-843e-a630dbcac8e5%2F0078%22> Minister Marise Payne questions without notice 12/10/16

<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22chamber%2Fhansards%2F880818e0-3c94-4ae9-90ac-07967f4ec995%2F0168%22> Marise Payne 13/10/16 the day of signing

<http://dfat.gov.au/geo/singapore/Pages/joint-announcement-australia-singapore-comprehensive-strategic-partnership.aspx> Joint Australia Singapore Strategic Partnership