



Media Release

Date 14 September 2009

Carbon sink tax legislation is good for the environment and regional Australia

The National Association of Forest Industries (NAFI) is simply dismayed at the illogical attack by Greens Senator Christine Milne on the carbon sink tax legislation which provides tax deductions for the costs of acquiring and planting trees or seeds used exclusively for carbon sequestration purposes.

“These tax provisions encourage the use of trees in the rural landscape for carbon sequestration and other environmental purposes and typically involve revegetation of marginal or environmentally degraded farm areas,” said NAFI CEO Allan Hansard.

“Contrary to Senator Milne’s views, the carbon sink tax provisions do not apply to managed investment schemes (MIS) for forestry activities. If she believes that the carbon sink provisions are “MIS on steroids” then she must believe that Landcare “is on steroids” since the carbon sink tax provisions are similar to the more familiar Landcare provisions for revegetation practices.

“For a party purporting to be Green, it is hard to understand the rationale or logic for such an attack and shows just how out of touch the party has become with sustainable land management.

“The strategic use of carbon sink plantings can provide a broad range of benefits; in addition to carbon storage they can help mitigate dryland salinity, control soil erosion and improve water quality and biodiversity while promote sustainable land management and generate jobs in the transition of the economy to a low carbon future.

“Furthermore, carbon sink plantings can provide an important additional income stream for farmers while helping to offset net greenhouse emissions from the agricultural sector, which is currently excluded under the proposed Carbon Pollution Reduction Scheme.

“We acknowledge that farms are biological systems and emit carbon, this provides another means for the agricultural sector to offset their significant carbon emissions in addition to absorbing it back into soils, pastures, crops and trees.

“There are significant opportunities to incorporate trees and other farm management practices to promote carbon sequestration and other environmental benefits and the carbon sink tax provisions provide one such incentive.”

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