

Draft Policy on the Preservation and Development of Agricultural Land

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At first sight, the Government's draft policy contained in the Preservation and Development of Agricultural Land Framework Bill would seem to be highly commendable.

It is well known that following the nationalisation of mineral rights some ten years ago, prospecting and mining rights have become a great deal easier to acquire, in many instances without adequate consideration of the impact on farming operations or even appropriate consultation or cooperation with the land owner. This has been a matter of great concern to farmers in the affected areas.

Provided that the proposed policy can be successfully applied to prevent further reckless destruction of productive farming land, it might very well be seen to be a positive development by the farming community. As an example, it is proposed that all future applications for prospecting or mining licences will require an Agricultural Impact Assessment, rather than an Environmental Impact Assessment as at present. If negative, that will result in the cancellation of any conditional approvals issued by the Department of Minerals & Energy, and the refusal of any licences.

The Bill

More detailed examination of the contents of the Bill however highlights a number of proposals which need to be questioned.

The most serious issues are the following:

The Bill proposes to launch a project to classify all agricultural land throughout the country according to its production potential. As every farmer knows, almost every "farm" (i.e. piece of land with separate title) consists of different soil types, which will possibly fall into each of the eight categories of the "Land Capability Classification System" listed in the Bill. This effectively means that the classification will have to be carried out hectare by hectare in order to be credible.

This will be a massive task and there must surely be considerable doubt as to whether the capacity exists in the country (let alone in the Department of Agriculture, Forestry and Fisheries) to undertake and complete it successfully. In a department in which even the Extension Service (providing advice on farming methods to farmers) has more or less collapsed, this is simply not realistic. It will inevitably lead to endless disagreements between farmers and the scientists employed to carry out the classification – and no doubt amongst the scientists themselves. It will also be hugely expensive. As in proposals of this kind, there will always be some doubt as to the integrity of the classifiers and their susceptibility to influence by the land owner or by other interested parties.

This proposal is justified by the need to exercise greater control over the subdivision of agricultural land and to prevent agricultural land from being converted to non-agricultural usage.

But the Bill's reach will be far greater than that, and seeks in fact to give the Minister absolute control over every farmer's farming methods. For example, farmers will be required to farm the land according to its optimum potential in terms of the classification, and the penalty for not complying may result in expropriation at a lower than market price.

In addition, agricultural land “not used for active agricultural production on a continuous basis over a period of at least three years and used far below the land’s optimal production potential” may also be expropriated. Once again, the question arises as to whether the Department will have the manpower qualified to be able to assess whether land has been used below “its optimum potential”.

Given the already high levels of indebtedness of most farmers – very largely secured by bonds over their farms – a reduction in land prices holds serious implications for the future viability of commercial farming.

Another example of the reach beyond the “Preservation of Agricultural Land” is the provision that “high value agricultural land should, in principle, be used for food crops, and not for any other agricultural production. In this regard, the conversion of high value agricultural land to ecotourism-related game farming or other agricultural production initiatives (e.g. essential oils), will not be allowed”. This again raises the question as to who will determine whether the land in question is in fact (all of it) “high value” or “Category 1” in terms

of the proposed classification system.

Ministerial approval (on the advice of a DAFF Technical Committee) will in future be required for leases longer than 10 years or even for the sale of high potential agricultural land. The likely delays in the sale or lease of such land will no doubt cause endless frustration, and may well result in lowering high potential land prices.

Another disturbing provision is that the Department intends introducing systems that will ensure that “purchase prices of agricultural land reflect the agricultural value of the land”. It is not clear how this provision will be enforced. But the intention would appear to be to control and indeed to reduce market prices. Given the already high levels of indebtedness of most farmers – very largely secured by bonds over their farms – a reduction in land prices holds serious implications for the future viability of commercial farming. The availability of funding from the major banking institutions will very likely be diminished. That in turn will impact negatively on future investment by new and existing farmers in farming ventures.

In order to implement these policies, the Bill proposes a series of complex processes which will be required for the approval of any changes in land use or subdivision of agricultural land, and the creation of new structures at municipal, provincial and national level. Applications for re-zoning or subdivision will have to go through 12 different steps, although strangely none of these involve any consultation with fellow farmers. Given the manpower capacity constraints, the question must be asked as to whether there is not every likelihood that these processes will simply become mired in bureaucracy.

Conclusion

All of these provisions suggest that there is a much greater agenda than merely controlling the removal of land from agricultural production.

The inevitable impression is that this Bill has as its underlying goal increased government control over all agricultural land and, indeed, the farming of the land, and a reason to create vast numbers of jobs in an already bloated bureaucracy. Clothed in seemingly noble goals, is this in fact a disguised step towards nationalisation?