

**MEDIA RELEASE****TREES DON'T PAY TAX. GOVERNMENT'S ACTION FOR HEALTHY WATERWAYS DISCUSSION DOCUMENT A MASSIVE SUBSIDY FOR TREE PLANTING**

Environmental lobby group 50 Shades of Green says the government's policy document on waterways will provide a massive subsidy for forestry.

Spokesman, Andy Scott said the problem was it would make sheep and beef farming less economic thereby encouraging farmers to walk away and sell their land for trees.

"Modelling suggesting 68% of dry stock farms in the Waikato/Waipā catchment would be converted to forestry as a direct result of the proposed regulations will send a chill through the entire sheep and beef industry," Andy Scott said.

"The restrictions proposed by the government will have the immediate effect of lowering land prices as the financial return just won't be there.

"That makes it extremely attractive to foresters.

"In addition the increased costs associated with the new policy will encourage farmers to sell up and leave.

"Sheep and beef farms employ over 80,000 people and generate \$9.1 billion a year.

"That provides a considerable boost to the New Zealand economy.

"Trees don't pay tax.

"It must be incredibly discouraging for low input sheep and beef farmers to be hit with the increased costs of the Zero Carbon legislation to now have the double whammy of increased environmental costs.

"Add the subsidy of a billion trees and you have a sector in crisis," Andy Scott said.

Further comment:

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