

# TREES GROW COMMUNITIES



**Plantations hold the key to the future of Casterton” says booming nursery**



**It’s little wonder David Perry is smiling... this year’s output will top 6 million seedlings**

Casterton eucalypt nurseryman David Perry, whose business has boomed in the past five years, strongly believes continuing private investment in forest plantations is essential to maintain the momentum of his business and the economy of Victoria’s Western District.

Haunted by fears that the federal government could threaten his business, as it did in 2001, he is adamant that government not change any Managed Investment Schemes (MIS) rules.

He argues that any change to the MIS, with their tax arrangements to encourage private investment in plantation forestry, would see plantation companies’ working capital dry-up with serious consequences for all sectors of the industry.

Why does David Perry feel so strongly?

In 1999, after visiting West Australian nurseries and crunching numbers, he decided to risk all and become a player in the eucalypt plantation industry by establishing his own bluegum nursery in hometown Casterton.

In the next 18 months he went through the Blue Hills Nursery establishment phase with hefty set-up costs for things such as seedling trays, benches, irrigation equipment and sundry plant.

An exciting sense of pride and achievement accompanied his first planting of more than 1 million seedlings. The future looked good.

“Then it happened,” he recalled.

“The government changed the tax rules for investors putting money in the plantation industry – and it wasn’t a change for the better.

“Investment virtually stopped and companies didn’t plant that year.

“In my first year in my new nursery all my trees had be discarded. I just threw them out . . . over a million trees.

“I’d invested more than \$200,000 in my first year and ended up with no income.

“There were all sorts of hassles. It looked like I’d spent an awful lot of money on nothing.”

Initially disheartened, the optimism and can-do attitude that characterises David Perry quickly returned.

The man who early in life trapped rabbits, shot foxes, ran a piggery with a mate, and later completed an apprenticeship as a joiner-cabinet maker, ran a milk bar and deli and later bought a farm continued to be driven by two life-long ambitions: to be his own boss and to make money.

With reduced orders and reduced prospects, but rekindled enthusiasm, David Perry got going again in 2002.

Seedlings sold and money came in.

That was the year Glenelg Shire Council’s Business Achievement Award recognised his courage, persistence and acumen.

These days Blue Hills Nursery has that unmistakable air of a business on the move.

Figures help tell the tale.

Output this year will top 6 million seedlings for the major plantations around Casterton and Hamilton.

Next year the bar will be raised to an impressive 9 million.

In its infancy Blue Hills employed half a dozen local women who wanted part-time casual work. These days the workforce has grown to almost 30.

David Perry believes that plantations hold the key to the future of Casterton.

“It’s essential that the government continue to support current MIS arrangements,” he said. “I can’t see the companies going on without investors’ money.

”An unfunded plantation industry would be the biggest threat to our business and our regional economy.

“When you get down to it the government holds the key.

“What about me and Blue Hills Nursery? My son Chris has joined me and I plan to keep going because business has been good.

“But it’s hard. No-one knows how hard it’s been. Some days we’ve worked 16, 17 even 18 hours a day just to keep going.

“In the summer we get hot northerly winds. In the past fortnight we’ve had seven frosts. It’s so stressful, so unpredictable.

“I love it, but sometimes I think it’s probably worse than milking cows.”