



Department of **Primary Industries  
and Regional Development**

Department of **Planning,  
Lands and Heritage**



# MINISTER'S UPDATE: PASTORAL LANDS REFORM

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**Hon Alannah MacTiernan MLC,**  
Minister for Regional Development;  
Agriculture and Food

## PASTORAL LANDS REFORM

In October 2017 the McGowan Government announced that it would renew the focus on pastoral lands reform and that the Minister for Regional Development; Agriculture and Food and the Minister for Lands would be responsible for progressing the Government's pastoral lands reform agenda.

Pastoral lands reform aims to facilitate improvements in the ecological sustainability of land and provide more opportunities for economic growth so that the full economic and social potential of the pastoral estate can be realised for the people of Western Australia.

The drivers for pastoral lands reform have been given voice by the industry over the past 10 to 15 years and were reiterated in the Pastoral Lands Board's recent advice to Ministers in the paper *Priorities for Strengthening the Economic Viability and Ecological Management of the Pastoral Estate*.

Another key driver for pastoral lands reform is findings contained in the Office of the Auditor General's October 2017 report entitled *Management of Pastoral Lands in Western Australia*, which was critical of Government's monitoring of the State's pastoral leases.

In response to these drivers, pastoral lands reform consisting of legislative, regulatory and compliance measures designed to protect the ecological sustainability of the pastoral estate and increase security of tenure for pastoral lessees are proposed.

The process of the pastoral lands reform will work through a number of key proposals developed in collaboration with industry. Reform measures will be investigated by Government and their potential implementation will be assessed for risk and opportunity.

Reform measures will come at a cost. Options to meet these costs will also be investigated and a funding mechanism developed.

In parallel with pastoral lands reform, the development of a strategic vision for the pastoral estate to guide future contribution of pastoralism to the sustainable growth of regional communities will be pursued. Support for Aboriginal participation will continue as a priority to boost economic and social potential and the long-term sustainable management of the pastoral estate.

## SUSTAINABLE LAND MANAGEMENT

The Auditor General's report found that the ecological sustainability of the pastoral estate is not adequately protected by the State's current system of land monitoring and administration. An integrated land management system is required to address ecological, social, economic and governance issues.

The prosperity of the pastoral industry is directly linked to the sustainable use and effective management of natural resources. The amenity, biodiversity and intrinsic values of the pastoral estate are also significant from an emotional and cultural perspective, particularly for Aboriginal people.

Pastoral land management is the responsibility of land managers. Leaseholders, industry and government need to work in partnership to develop a system that includes a more rigorous monitoring and compliance regime. Increased regular on-ground and remotely-sensed monitoring could be used to provide information about the pastoral condition and trends that can be utilised by pastoralists to manage the land and make decisions leading to long-term sustainable productivity.



## ECONOMIC ACTIVITY

The economic and social potential that could be generated from the pastoral estate for the people of Western Australia is not being fully realised. Limited security of tenure for pastoralists, combined with outdated monitoring systems, has contributed to land degradation, reduced economic value and diminished ecological sustainability.

Tenure reform to facilitate more economic opportunities on pastoral land will be investigated. Based on feedback over the years, these might include:

### Statutory transfer of diversification permits to an incoming lessee

*The Land Administration Act 1997 (LAA)* does not currently provide for a diversification permit to be transferred to a new lessee when a pastoral lease is sold. Consequently, if a new lessee wishes to continue an activity for which an existing permit has been issued, they are required to apply for a new permit.

This current arrangement can create uncertainty for new lessees wishing to continue the activities facilitated by diversification permits issued to the prior pastoral lease holder. The current non-transferability of diversification permits can impact on the financial viability of pastoral businesses and acts as a disincentive in developing the pastoral estate.

### Statutory right of renewal for compliant pastoral leases

The LAA does not currently provide for a statutory right of renewal of a pastoral lease even if a pastoral lessee is compliant with the lease conditions and any other conditions of renewal. Industry feedback is that without a statutory right of renewal, the security of tenure for pastoralists is poor and can act as a disincentive in long-term planning and investment on pastoral leases.

Providing a statutory right of renewal for compliant pastoral leases would increase pastoralists' security of tenure and, most critically, lead to improved ecologically sustainable management of the pastoral estate. Pastoralists who know that they have long-term and secure tenure are better able to apply more longer-term thinking and approaches, leading to improved social, environmental and economic outcomes on pastoral land.



## Extending the term of an existing Pastoral Lease

The Minister for Lands currently does not have the power to extend the term of an existing pastoral lease. Pastoral leases can only be renewed for the same term - some pastoral lessees are operating on leases with terms as short as 18 years and others run for the statutory maximum term of 50 years.

Feedback from industry is that if the LAA was amended to empower the Minister for Lands to extend the term of an existing pastoral lease to 50 years, it would significantly enhance pastoralists' security of tenure, providing a greater incentive for them to invest in their pastoral businesses and strengthening their chance of securing investment from banks and other financial institutions.

Relevant process under the Native Title Act will need to be completed by the lessee where the extension of the term constitutes a Future Act.

## CONCLUSION

Measures that provide more opportunities for economic growth in the Western Australian pastoral estate and that facilitate improvements in the ecological sustainability of land within the pastoral estate are an essential first step in pastoral lands reform.

The Government's recent announcement regarding its in-principle support for pilot sequestration offset projects to facilitate carbon farming opportunities for pastoral lessees is a clear example of the Government's intent in this area.

The Department of Primary Industries and Regional Development and the Department of Planning, Lands and Heritage will continue to work with stakeholders to develop proposals for pastoral lands reform for investigation and consideration by Government.

The State Government, through the Minister for Regional Development; Agriculture and Food and the Minister for Lands, looks forward to close collaboration with the pastoral industry on the development and implementation of its pastoral lands reform program.

