

Ms Lauren Mesiti Committee Clerk Standing Committee on Public Administration Legislative Council Parliament House

Perth WA 6000

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26 September 2013

Dear Ms Mesiti

Thank you for the opportunity to make a submission to the Standing Committee on Public Administration: Inquiry into pastoral leases in Western Australia. WAFarmers is also appreciative that an extension was granted until the 30th September 2013.

According to the inquiry's terms of reference, "The Committee is to inquire into and report on pastoral leases granted to the pastoral industry in Western Australia, in particular:

- a) the management of the increase in the number of stock and environmental damage on pastoral land;
- b) the adequacy of land tenure;
- c) procedures for granting or renewing pastoral leases;
- d) the proposed pastoral lease 2015; and
- e) any other matter.

This submission focuses on point 'd' of the terms of reference set out above.

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As background, WAFarmers is the State's largest and most influential rural lobby and service organisation. WAFarmers represents approximately 4,000 Western Australian farmers from a range of primary industries including pastoralists and meat and wool producers. Collectively our members are major contributors to the \$5.5 billion gross value of production that agriculture in its various forms contributes annually to Western Australia's economy.

After consultation with our membership we would like to provide feedback to some points of the lease.

## 3.1 Payment of Rent

The Lease states the initial payment equal to half of the Rent be paid on the execution of the Lease, and by half yearly payments made in advance.

We believe a fair and reasonable option would be to structure Rent payment in a way similar to that of payment of Local Government Rates. That is, a discount be offered for full payment up front of Rent and further options such as half-yearly and quarterly payments be made available to Lessees. This allows Lessees to manage cash flow of their businesses more effectively in businesses that are highly susceptible to fluctuations in economic conditions and seasonal influences.

## 5.3 No right to soil or timber

The lease states that "subject to the provisions of the LAA, this Lease and any Permit, the Lessee shall have no right to the soil, or to the timber of the Land, except as may be required for the Permitted Use."

In our view the term "no right" needs clarification. A difference exists between 'exploitation' and 'use' of soil and timber and there is an opportunity here to distinguish

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between the two. The use of soil and timber can be to improve the Lease but it could also be to the detriment of the environment, clarification on this point will support constructive land use.

## 11.2 Termination of Lease

Point (iii) states, the Lease may be terminated "immediately if any rights are exercised, or if any action is commenced or taken under the *Animal Welfare Act 2002* concerning animals on the Land or in the care of the Lessee."

WAFarmers has very strong objections to this point as it infers a presumption of guilt prior to the case being heard and denies a process of natural justice.

As an example, extreme weather conditions could precipitate an animal welfare event out of the pastoralist's control. A practical approach should be taken when considering breeches of the *Animal Welfare Act 2002*. Drought, fire and flooding are all potential threats in the north of Western Australia and these extreme and unpredictable events should be taken into consideration before action is taken under the *Animal Welfare Act 2002*.

In our view where the Termination of Lease is executed, the Lessee should be given opportunity according to the principles of natural justice to a right of response. The State Administrative Tribunal or similar may be appropriate but it would ideally be accessible in both locale (a regional setting close to the Lease) and legal assistance, and operate in a timely fashion in order to settle the issue as quickly as possible and with the least expense.

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Other

**Provision of Rent Relief** 

The re-writing of the Pastoral Lease is an opportune time to formalise the "Pastoral Lands

Board Policy Statement 13: Provision of Rent Relief." This policy refers to hardship

experienced at times of economic downturn or natural disaster, and the Lessee may be

granted appropriate rent relief.

**Request for On-Site Hearings** 

WAFarmers recommends that hearings on the issues should be held in various locations

throughout the state that are convenient to pastoralists, particularly as the consultation

time was short and held during the mustering season where many pastoralists are

incommunicado. This would allow greater inclusion in the process and a more realistic

view of life in the pastoral region be ascertained.

Thank you for the opportunity to comment on the Inquiry into pastoral leases in Western

Australia. Please do not hesitate to contact me if I can be of further assistance.

Sincerely

Dale Park

Dale Parl

President

WAFarmers