



Our Ref:
Enquiries: Gavin Treasure

Hon Liz Behjat MLC
Chairman
Standing Committee on Public Administration
Parliament House
PERTH WA 6000

Dear Liz

INQUIRY INTO PASTORAL LEASES IN WESTERN AUSTRALIA

Please accept the following submission to the Inquiry into Pastoral Leases in Western Australia.

The Mid West Development Commission (MWDC) is a State Government statutory authority that strives to encourage the sustainable development of Western Australia's Mid West region. The Commission's operations are overseen by a community-based Board and functions under the provisions of the *Regional Development Commissions Act 1993*. It is one of nine regional Development Commissions in Western Australia.

The MWDC has a significant interest in pastoral activities with the Southern Rangelands making up a major proportion of the land area falling under the MWDC's boundaries. The Murchison subregion incorporates the Shires of Cue, Murchison, Meekatharra, Yalgoo, Wiluna, Sandstone and Mount Magnet. While it covers 89% of the region's landmass, its residential population of approximately 4,250 people presents less than 8% of the Region's population. The Murchison covers more than 423,000km² and is 17% of WA's total landmass. The subregion is very sparsely populated with one person every 96km². An estimated 30% of the Murchison's population is Aboriginal, although ABS estimates are likely to be significantly understated.

The Murchison is a very diverse minerals province and hosts the majority of existing and proposed resources projects in the region, including gold and iron ore operations as well as copper, nickel, vanadium and uranium. Furthermore, due to its remote location and radio quietness, the Murchison has been selected as one of the global sites for the Square Kilometre Array (SKA) Project, a major international radio astronomy project. The main economic drivers for the Murchison relate to mining and pastoral activities, with an emerging outback tourism sector developing that holds promise for the subregion.

Challenges facing the Murchison include some social disconnect, a declining population and climate change with its impact on primary production. Opportunities include leveraging social economic benefit from local mining activities.

The MWDC is embarking on a significant undertaking to develop a Mid West Regional Blueprint (MWRB) for the region. The MWRB will be an aspirational Growth and Development Plan with a detailed plan of action for the MWDC 'to help transform the Mid West from its current status to a sustainable and prosperous region moving towards 2025 and 2050'. The MWDC is working in partnership with Regional Development Australia Mid West Gascoyne to develop this blueprint as ONE planning document to guide both State and Australian Government planning and eventual investment decision-making. It is envisaged that following completion of this planning process, the MWDC will be in a very strong position to develop project proposals based on robust evidence based data and information. These projects would then be prioritised for proposed funding either through State or Australian Government grant funding and direct private / industry investment.

The MWDC is also undertaking Economic Development Strategies across each of the three subregions to further inform and guide decision making through the MWRB process. A North Midlands Economic Development Strategy is well advanced with high level preliminary work recently commenced on both the Murchison and Batavia Coast subregions.

An emerging theme coming out of all these consultation processes is a strong desire from the pastoralists located in the Murchison (Sothorn Rangelands) to proactively identify opportunities to return use of pastoral lands to more productive activities. The review of pastoral leases offers an opportunity to dovetail lease renewals into investigations for improved land use activity.

The MWDC, in partnership with Regional Development Australia Mid West Gascoyne, has recently completed a high level Economic Development Strategy (EDS) for the Murchison subregion. The purpose of the EDS was to outline a set of interventions that align the efforts and resources of stakeholders towards a common set of economic development goals. These interventions were guided by input from a variety of stakeholders, including industry associations and government officers. This consultation, along with further research and analysis, provided a provisional framework for future economic development, within which public and private stakeholders can work together to achieve the desired vision.

One of the key recommendations coming out of the EDS was the proposal to 'Sustain and Develop the Pastoral Industry'. The report identified that *'pastoralism is one of the traditional industries in the Murchison, and one of Australia's major export industries. The area is suitable for small stock (sheep and goats), producing healthy animals, meat and wool. This land forms a substantial stock of natural capital, and investing in key economic capital will allow substantial value to be unlocked. The industry also creates demand for skilled labour, helping to maintain the Murchison's human capital'*. The report also indicated that *'the pastoral industry is also facing a range of challenges at the moment, including tenure security, regulatory pressures, environmental change, stable markets, wild dogs attacking stock, total grazing pressure affecting the land, native title claims over pastoral leases, a lack of scale and the closure of processing facilities in Geraldton. In addition, pastoralists are often supplementing their income with off-station employment. New investment and structural changes in the industry will be needed to ensure that pastoralism is sustained and can grow over time. Regulatory changes would also increase the markets that can be targeted by the sub-region's producers and to improve profitability'*.

A Key Action recommendation included in the Murchison EDS highlighted the opportunity to:

'Investigate the long-term economic and environmental viability of the pastoral industry in the Murchison. Such a review would examine considerations including pastoral lease tenure, long-term environmental carrying capacity and industry structure and practices. The project should consider both publically and privately held property, with opportunities for collaboration and common management where appropriate. Ideally such a project should be guided by a stated need for a sustainable and resilient pastoral industry in the Murchison. Beyond that, the project should not be limited upfront but instead consider all opportunities and factors'.

Following on as part of this inquiry, it is the recommendation of this author that a review of / into pastoral leases in insolation will not necessarily achieve maximum benefit, unless the scope is expanded to include strategic opportunities to reposition the Southern Rangelands into an economic and sustainable subregion of Western Australia. With the potential of Western Australia to become the 'food bowl' of the emerging economies located in South East Asia, it is essential that we identify the best use of current land holdings to maximise the economic opportunities available to meet this growing demand. Such a strategic review would align with the recommendations contained in the high level Murchison EDS and further with Mid West Regional Blueprint aspirations of the subregion as a whole.

Please contact the undersigned if you require any additional information.

Yours sincerely



Gavin Treasure
CHIEF EXECUTIVE OFFICER

13 September 2013