



SHIRE OF
MOUNT MAGNET

27 September 2013

File Reference: GB-WAG

Hon Elizabeth (Liz) Behjat
Chairman
Standing Committee on Public Administration
Parliament House
PERTH WA 6000

Dear Chairman

RE INQUIRY INTO PASTORAL LEASES IN WESTERN AUSTRALIA

In response to your call for submission, Council at the Ordinary Meeting on 6 September 2013, resolved as follows:

COUNCIL RESOLUTION

Moved: Cr Jensen

Seconded: Cr Homewood

That the Standing Committee on Public Administration is advised that Council believes the 2015 draft Pastoral Leases as proposed are unworkable and requests that the Committee recommends to the Minister for Regional Development & Lands that the current draft leases are withdrawn and the process is restarted.

PART RESOLUTION 2013-09-09

CARRIED 6/0

In addition to the above request the following comments are made with respect to the terms of reference of the Standing Committee.

Item a

The statement in Item (a) is not representative of the situation in the Southern Rangelands where small stock such as sheep and goats predominate. It is considered that as a result of drought and wild dog activity that all pastoral leases have been running stock at levels well below the allowable stocking rates specified in current leases. In October 2012, as part of the research carried by the consultant who prepared the Business Case for the Proposed Murchison Region Vermin Cell, a survey of 73 Southern Rangelands pastoral properties found sheep stocking levels at 24% of total allowable carrying capacity with a projected reduction, if current wild dogs numbers are not substantially reduced, of 14.5% per annum.

All correspondence to be addressed to the Chief Executive Officer

Address: Lot 163 Hepburn Street PO Box 62 Mount Magnet WA 6638
Email: shire@mtmagnet.wa.gov.au Website: www.mtmagnet.wa.gov.au
ABN: 14 556 214 295



The result of these low stocking numbers has allowed pastures to regenerate and stock induced environmental damage is not occurring in the Southern Rangelands at this time.

Item b,c,& d

The complex method used to calculate the lease periods being offered to pastoralists in 2015 and the significant variation in outcomes, ranging from seven years to fifty years, is creating great uncertainty and threatening the viability of many pastoral operations. For those with lease periods on the lower end of the spectrum there is little incentive to invest and little likelihood of banks and others providing finance. It is considered that all pastoral leases from 2015 onward should be for fifty years with five year pastoral inspections to ensure that lease conditions are being met. As an incentive it is considered that on successful completion of each five year pastoral inspections that the lease period should be extended to maintain the fifty year term. Similarly, leases should not be extended and should be withdrawn where pastoral inspection consistently indicate that lease conditions are not being adhered to.

On behalf of Dr Paul Sidhu, Lessee Iowna Station, the following additional points which have the full support of the Shire, are made:

Item b

At the very least, pastoralists should be able to obtain freehold over their homesteads. This will give a basic measure of security to elderly pastoralists who may wish to sell the remainder of their land once they retire. Further, a pastoralist should have the right to obtain freehold ownership of his *entire* lease if he were to pay the government a sum of money equal to all rent obtainable for the remaining duration of the lease. For example, if there are 50 years left on Mr X's lease and his annual rent is \$2,000, he would be able to obtain freehold rights for \$100,000. This is a win-win situation for both the government and owners.

Item c - Foreign Investment

The application process is overly complicated when compared to, for example, the USA. With many local Pastoralists unable to sell their farms (there are no buyers) foreign investment should be welcomed and the application process simplified to encourage this.

As previously requested it would be much appreciated if hearings could be held at regional locations such as Mount Magnet prior to your Committee finalising recommendations to Government.

I am very pleased to expand on the above points should there be a requirement to do so.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A. Dowden', written over a horizontal line.

Ashley Dowden
PRESIDENT