

# **STANDING COMMITTEE ON PUBLIC ADMINISTRATION**

## **INQUIRY INTO PASTORAL LEASES IN WESTERN AUSTRALIA**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
WEDNESDAY, 27 NOVEMBER 2013**

### **SESSION SIX**

#### **Members**

**Hon Liz Behjat (Chairman)  
Hon Darren West (Deputy Chairman)  
Hon Nigel Hallett  
Hon Jacqui Boydell  
Hon Amber-Jade Sanderson**

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**Hearing commenced at 11.30 am**

**Mr PAUL ROSAIR**

**Director General, Department of Regional Development, sworn and examined:**

**Mr MICHAEL ROWE**

**Executive Director, Policy and Planning, Department of Regional Development, sworn and examined:**

**Mrs JENNI COLLARD**

**Executive Director, Business Social Development, Department of Regional Development, sworn and examined:**

**The CHAIRMAN:** Hello, how are you?

**Mr Rosair:** Very well.

**The CHAIRMAN:** Let us get some formalities over. I will just introduce the committee. My name is Liz Behjat, the member for the North Metro Region and the chair of the committee. We have Hon Amber-Jade Sanderson, from the East Metro Region; Hon Darren West, from the Agricultural Region; Dr Julia Lawrinson, who is our advisory officer for the committee; Hon Nigel Hallett, from the South West Region; and Hon Jacqui Boydell, from Mining and Pastoral Region. That is all of us. I will start by swearing you in. We are going to swear in everybody here. We understand you may not all want to give evidence, but we will just do it in case you do.

[Witnesses took the oath or affirmation.]

**The CHAIRMAN:** Thank you. You will have all signed a document entitled “Information for Witnesses”. Have you read and understood that document?

**The Witnesses:** Yes.

**The CHAIRMAN:** The proceedings are being recorded by Hansard and a transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of this hearing for the record. Please be aware of the microphones and try to speak into them. Ensure that you do not cover them with papers or make noise near them, and try to speak into them. I remind you that your transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today’s proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise you that publication or disclosure of the uncorrected transcript of evidence may constitute a contempt of parliament and may mean that the material published or disclosed is not subject to parliamentary privilege. Mr Rosair, you have got this document here, which you said is your opening statement to the committee and that you wanted to read that into the transcript. Given the time constraints that we have this morning and we do have a number of questions that we want to get to, perhaps you could speak to it briefly, but we do have it here and we can certainly include that in our tabled evidence.

**Mr Rosair:** Okay. Firstly, thanks everybody for the opportunity to speak to this committee. Look, the document I would like you to read because it does spell out, if you like, the approach that our

department is taking to the pastoral estate. With the formation of the Department of Regional Development on 1 July, we have a very strong focus now on regional development in Western Australia. We no longer look after the lands function. I am happy to take any questions in relation to my former role over the last four years as the director general of lands, if you like, and also my role on the Pastoral Lands Board and servicing that board. Essentially what I wanted to establish today in my opening address is that we believe there is a great opportunity for regional development and economic development in the pastoral estate. It is 36 per cent of our landmass, and we think it can be managed in such a fashion as to get very good regional development outcomes for the state, and grow and diversify our economies.

There are a number of new initiatives in our royalties for regions program that we want to leverage off the pastoral opportunities and also give pastoralists an opportunity to become more sustainable. So that is the general message. Some of those programs, like we have a Seizing the Opportunity program of \$300 million for seizing the opportunities in agriculture, given that essentially 92 per cent of the state is in some form of government control and only eight per cent is in the private sector, we believe for this large landmass, a lot of it arable, particularly in the Kimberley and Pilbara, we do have large water reserves—12 500 gegalitres of water in the state, of which only 2 500 gegalitres has been allocated. So despite popular belief, we have large water reserves and large sectors of arable land and we have a looming global food shortage, and the time zones to the north of us equate to some 60 per cent of the world's population, if you look at that. So this is seizing an opportunity, and we think the pastoral estate is up front and centre in that. We want to make sure that the industry is sustainable going forward.

We are doing some work, with Jenni in her new role, in our Aboriginal economic-development role as part of her business and social development, working with a number of pastoral estates that are Aboriginal owned, to see if we cannot navigate them through 2015 and provide some economic development opportunities as part of that process. We see some great opportunities in northern Australia. We work with northern Australia in the pastoral industry as well, and I suppose the example I will give that is spelt out there is in the Territory ConocoPhillips, a gas provider, have teamed up with Aboriginal groups in West Arnhem Land and essentially provided employment for, I think, up to 200 Aboriginal people to do some savannah burning and, as a result, reduce carbon emissions. Because ConocoPhillips paid for that, they claimed an environmental carbon offset as part of their development. In the Kimberley and the Pilbara we have significant gas reserves, significant industry opportunities. We have pastoralists wanting to do more to get certainty around their tenure and we have Aboriginal communities wanting economic development opportunities. So the three of them working together is a great opportunity to provide Aboriginal employment, potentially provide industry with offsets as a result and, hopefully, provide pastoralists with greater certainty over tenure in negotiating their Indigenous land use agreements. So those three parties can work together to get an outcome of a benefit for all three.

We also want to make the point that the estate is being reviewed and in my past role, the sustainability of the estate was being reviewed on a number of different fronts. Live cattle suspension meant that in some cases there was an equity loss of some 30 to 40 per cent, which essentially reduced confidence in the industry, which is being endeavoured to be restored. We have got to restore confidence in the industry. I think that tenure certainly is one way of doing that. If we can get that confidence, there is an opportunity to provide that diversification, particularly in agriculture, tourism and the like.

One of the points I also want to make is that when a station becomes a little unviable, sometimes the normal course of action is may be to put it into the conservation estate. That has been a little bit of a tradition in the past. I think that maybe putting it into an interim arrangement under the stewardship arrangement so that we can look after the estate, and if economic climate changes or the rangeland is rehabilitated, it may come back into the pastoral estate rather than necessarily locking it up in the

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conservation estate and not being able to recover it into the pastoral estate. So that is an area. Another opportunity, again in the Aboriginal economic —

**The CHAIRMAN:** I want to stop you right there. The committee understands the numbers of opportunities are going to be available to the pastoral industry in the future, if we can get it right, we hope. But one of the main terms of reference of this committee is that we need to look at those processes that the public sector have been through to get to where they are today, whether due process has taken place, whether the correct procedures have been followed, and at what level those consultations have taken place. So I think more of our questions to you today will be probably in your former role in relation to that. So whilst we can speak about the future, I think to be able to make that a better future, we have to understand what has gone on in the past and make sure that we have got that complete picture. That is really the thrust of what the committee is interested in. You have just said that you had carriage of the process involved in the lease renewal prior to the creation of the lands department on 1 July. So could you explain to the committee exactly the role you played in the development of the draft lease that is out for consultation at the moment?

[11.40 am]

**Mr Rosair:** I was the director general of Regional Development and Lands and had a number of roles, both on the policy and legislative front. The primary role, I suppose, was part 7 of the act, which in part was the maintenance of the lease conditions, provision of leases, the diversification of leases and the rangelands reform program that was set up by the former government. I also had the responsibility for being on the Pastoral Lands Board and servicing that board and also the responsibility for running the departmental agenda for pastoralism in the state, which is a very broad term, one of which is the lease conditions and probably, in essence, a smallish component of all of those responsibilities. Now, I suppose as far as procedure goes, and I do not have the information at hand, there are 550 pastoral leases, all of which need to be administered. In the administration of pastoral leases, again there's a number of different facets. One is the issuing of a lease, the transfer of a lease; two is preparing for the 2015 expiry; three is dealing with diversification activities on those leases; then there is managing conditions of a lease and noncompliance with a lease; and, as I said, drafting up the elements of the new lease for 2015.

**The CHAIRMAN:** In drafting up the elements of the new lease, was a consultation process undertaken with pastoralists in the industry?

**Mr Rosair:** I have had a number of conversations with a number of industry players. I think Rob is behind me. He would know that on numerous occasions with the PGA—I have been in consultation with all of those elements I spoke to, formally. Consultation around the 2015 lease was a lot focused around the tenure options of the opportunities for new leasing arrangements or new tenure arrangements, and a lot of the consultation we did was on the rangelands leases, perpetual leases and the general leases, and also what we call the pastoral leases. So that was a lot of the focus of the consultation. In general, the conditions of the new pastoral leases were primarily around the fact that in 2015 the pastoral leases would be rolled over on the same general terms and conditions that were in place prior to 2015, with an upgrading of those conditions, making them more contemporary and making them easier to administer, rather than changing necessarily any conditions in a significant or major way. We did consultation with the Pastoral Lands Board. I think we went to Gogo station in the Kimberley. We did a lot of consultation on that front. Again, the lease conditions and the renewal of leases was one element of pastoral monitoring, rangeland condition monitoring, new tenure arrangements, diversification permitting, so it was one element of the consultation. We also did one in, I think, the Pilbara. We did a pastoral lands meeting there and did some significant consultation. I think we have had two visits to the Gascoyne and, more recently, we went to Meekatharra and consulted with pastoralists. So that was the level of consultation. Mike Rowe, my director of policy and planning, who looked after the rangelands

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reform program, may be able to elaborate on additional consultation through both government agencies and others. So do you want me to pass to Mike, who will take that question?

**The CHAIRMAN:** I will go to my colleague's question, but I just want to ask you, for instance, when you undertook the consultation at Gogo station, there would have been a number of pastoralists there and not just the pastoralists from Gogo, I would imagine?

**Mr Rosair:** Oh yes, that was just where we met them.

**The CHAIRMAN:** At that point, and I guess we could call it the Minister Shave offer of renewal, was that discussed at those meetings and the pastoralists made it very well known that they were under the impression that that offer from Minister Shave was going to be the renewal and that they did not need to have a new draft lease presented to them?

**Mr Rosair:** Okay. Firstly, I was not in attendance at Gogo station, so I am not exactly sure of the discussions that transpired. Mike Bradford and his colleagues may have been able to elaborate on that. The Minister Shave offer—I must say I have never heard of the Minister Shave offer, in the way he expressed it, in those terms. So that is the first time I have heard that, the Minister Shave offer.

**The CHAIRMAN:** So you have never seen the letter that was sent out by Doug Shave, when he was the then minister, to all of the pastoralists, offering to renew their leases on the same terms that they had those leases at the time?

**Mr Rosair:** I have always been of the understanding that the intention is to roll over the leases on the same terms and conditions. My understanding is that the changes to those conditions would be upgrading them to make them more contemporary, easier to manage, easier to administer and addressing some of the administrative flaws in the past. I cannot recall necessarily seeing that letter in question. I commenced this role in 2009, subsequent to Minister Shave being the minister for this role. I may have seen the letter but not associated it with the Minister Shave offer.

**Hon AMBER-JADE SANDERSON:** I want to just go back to the consultation process. Given that this would have been a unique process for the department be undertaking and that these leases had not been renewed for a very long time, was there an actual stakeholder engagement plan and a rollout of consultation; and, apart from conversations that you had, was there anyone in the department actually responsible for coming up with that plan and implementing it?

**Mr Rosair:** Yes. In my pastoral lands unit, there is a consultation strategy going in accord with our rangelands reform, one of which was the new lease conditions and new tenure conditions.

**Hon AMBER-JADE SANDERSON:** Are you able to provide that plan?

**Mr Rosair:** I do not know. Mike might be to add to that.

**Mr Rowe:** So the process of consultation for the rangelands reform program did not necessarily explicitly include the new 2015 lease arrangements. It was more focused on proposed policy changes that the government was contemplating as regards to alternative forms of tenure into the future, and that communication arrangement was for the rangelands reform program. I am not sure whether the pastoral lands unit, which was a different part of the department, had its own communication plan exclusively for 2015 on the process.

**Hon AMBER-JADE SANDERSON:** Can we find out? That really gets to the nub of a lot of the evidence that we have heard.

**Mr Rosair:** We will definitely find it. We had a 2015 unit, which had in their role and responsibility the renewal of leases and the ensuring of compliance against existing conditions, to make sure the pastoralists had met their obligations, and I have done a lot of work around that area, with the expectation of ensuring that pastoralists had complied with conditions before the rollover.

**Hon AMBER-JADE SANDERSON:** That is a different matter.

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**Mr Rosair:** That is a different matter.

**Hon AMBER-JADE SANDERSON:** What I am talking about is that, given the high levels of anxiety amongst the sector in this area, was there a plan for actually engaging and communicating with them?

[11.50 am]

**Mr Rosair:** In the 2015 unit, that would have involved an engagement strategy, it would have involved a communications strategy and it would have involved a stakeholder engagement strategy as part of that 2015 unit. Now, specifically was there a communications plan or an engagement strategy plan that was published and adopted and followed, I cannot answer. The unit was left to engage with the industry under the director of lands, Declan Morgan, who was the director of my lands division at that point. As with 3 500 programs and projects that the department manages at any one time across the agency, each one of them has individual communication strategies and plans. My assumption is there would have been a program and a communication of plans of some nature. Whether it was a documented one that was relayed to the PGA and others, I am not sure.

**Hon DARREN WEST:** How many people worked in that unit, do you remember?

**Mr Rosair:** Our pastoral lands unit—I think I recall probably about 12 in the unit but I think we had two to three staff maybe who were working dedicated on the 2015, and on the 2015 within that not only was there the pastoral lease renewal but there was also the tenure and then the compliance with outstanding conditions. One of the things I inherited was a large swathe of noncompliance with conditions and directions. I think it was in the order, and I will recheck, of some 600 outstanding conditions and directions that I inherited in 2009. I went through a significant process. I established for the first time in the department an enforcement policy, for the first time in the department an enforcement unit, and as a process of that reviewed all of those conditions and directions over time, and I think we are now left with about 150 that we want to concentrate on before the 2015. It is a very complex area, as you can understand.

**The CHAIRMAN:** Mr Rosair, you spoke about the engagement strategies, and you are not sure as to whether or not they were actually formalised and put into writing. Are you able to take this on notice to find out whether that was the case; and, if so, provide copies of those strategies to the committee? Are you happy to do that?

**Mr Rosair:** I am happy to work with my colleague Mike Bradford to ask, through that period of time, what was the documented procedure for the consultation, specifically on the lease conditions of the pastoral lease renewal. I think I need to emphasise the fact that that was an element of, as Mike said, the rangelands reform program, which was about a vision for the estate, an assessment of the sustainability of the estate. There was the Duncan review that was done on a number of different fronts about the sustainability. Agriculture were doing things on that basis. I had an enforcement program that was trying to address 600 outstanding directions and the like. We were reviewing the legislation at the same time. We were looking at leases and tenure arrangements. We were looking at 2015 compliance. We were looking at Indigenous stations that were noncompliant and largely a major concern, and then we were looking at lease arrangements, rangelands, pastoral, general and perpetual leases. Then we were looking at the conditions of a pastoral lease beyond 2015. My expectation on that element was that the pastoral leases beyond 2015 were going to be the same term and essentially the same conditions, with an upgrading of those conditions reflecting on the administrative difficulty with some of those conditions and contemporising them as well without any major changes.

**The CHAIRMAN:** For the purposes of Hansard, I just want to give that question you have taken on notice now A1, and that will be the provision of, if they exist, the copies of the written engagement strategies that the Department of Lands had in place at the time of those negotiations.

[*Supplementary Information No A1.*]

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**Hon JACQUI BOYDELL:** It has been an extensive process that the department, in your time as the director general of the DL, undertook and with 600 noncompliant areas —

**Mr Rosair:** I am not quite sure the exact figure.

**Hon JACQUI BOYDELL:** Yes, well, as estimated, and now significantly in an area where the industry, as a result of tackling those issues, would be in a stronger position. So in your involvement in the process, and I recognise you no longer have lands, but why, in your opinion, if the new lease, as we are deeming it, is seemingly trying to create a more flexible administrative process for the pastoral industry, make the lease more contemporary, so therefore easier to deal with—why does the industry want to go back to what it had, seemingly, without taking up the opportunity to look to make that lease easier to deal with?

**Mr Rosair:** I had the role until 1 July 2013. I would say that until that date I had not seen the angst that has happened in the last three to four months of the new lease. It may well have been that the draft lease was made more available to the pastoralists and there has been feedback. Leading up to that I had not heard of the dramas that I have heard recently about the conditions of lease. I must say in my time in administering the pastoral estate, and coming from a background—I was a director in environmental regulation, administering all of the industrial premises around the state; I was a director in the Department of Water, administering all of the water licences around the state; then I was the director general, administering all the pastoral leases around the state—I endeavoured to change the philosophy of pastoral lease management. I suppose the example I might give is when I was a director in the Department of Environment. When we managed Alcoa's refinery, I had a lot of staff in the agency who wanted to become refinery experts in alumina. That is not their job. Their job is to manage the emissions from the stack. That is their job—to make sure that the emissions from their refinery are not impacting on the community in a detrimental manner. How the Alcoa refinery is operated is left to the chemists and experts in Alcoa. The philosophy I was driving through the pastoral estate is that—this is the point I am coming to—managing a pastoral estate and managing a pastoral lease is best left to the pastoralists. They know how many water bores they have; they know how many stock they can run; they know how to manage that lease. Let us leave the detailed administration of the lease to the pastoralist. Our responsibility, and the ultimate objective, is maintaining the rangeland in a sustainable manner. So if we measure and monitor the condition of that pastoral lease—is it being managed in an environmentally acceptable manner; is it being maintained—really we do not care whether they run 20 000 stock or 10 000 stock, whether they have 300 water points or 200 water points, as long as their animal welfare and the way they achieved that is in accordance with other acts. We should be concentrating on the outcome—do they have a viable rangeland?

**Hon JACQUI BOYDELL:** In response to that, I think almost every pastoralist we have heard from has had the opposite view of the new lease, in that it is more prescriptive, that it does not give them the flexibility to run their own area. They have had the totally opposite view.

**Mr Rosair:** Look, I have not seen the last draft. In my new role I have not seen the last draft and I cannot comment on that, but that is the philosophy I was driving and the philosophy I drove again with those directives and conditions. I removed a lot of those directives and I removed a lot of the noncompliance, because I believed they were not achieving that philosophical position. They were dated.

**Hon JACQUI BOYDELL:** I have just one question that carries on from that. In your consultative process in the 2015 unit, I guess that you had set out, until recently your consultation process had not—you had not seen this angst that has come from the pastoral industry since?

**Mr Rosair:** No.

**Hon JACQUI BOYDELL:** So they had not been any issues raised previously in the consultation. Obviously there were issues but not to the level we have seen.

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[12.00 noon]

**Mr Rosair:** My biggest issues in those consultation debates were around the general leases, perpetual leases, certainly the market sustainability—they were high-level things. Not on my radar did the fact that these conditions that were being proposed for the pastoral leases come onto my radar that they were too prescriptive, too detailed and too exhaustive for pastoralists.

**Hon JACQUI BOYDELL:** And you had not received that feedback?

**Mr Rosair:** Not in my role, but more recently, just reading the newspapers, that there is some angst in the industry about those conditions, but I have not seen the latest draft.

**The CHAIRMAN:** Mr Rosair, I am going to get our clerk to now give you a copy of a letter that is dated 24 December 1997. It is signed by Doug Shave MLA, Minister for Lands; Fair Trading; Parliamentary and Electoral Affairs. I would like you to have a look at that letter quickly now for me and confirm that in your best knowledge you have not actually seen that letter before.

**Mr Rosair:** To my best knowledge, and as you can imagine the amount of correspondence that comes across my desk —

**The CHAIRMAN:** I understand, but it is a pretty important letter.

**Mr Rosair:** It may well have come across my desk at some stage but it has never been brought to my attention as something of significance in this process.

**The CHAIRMAN:** I can tell you, Mr Rosair, that is a document that is creating the angst in the industry, because every pastoralist I think that we have spoken to and others who are currently members of Parliament, who were former pastoralists, received that letter and it was an offer made to them and they signed it in the knowledge that that is what the lease was going to become. So perhaps if you had seen earlier, there may have been a different thing happening.

**Mr Rosair:** This is not—and I am trying to read it as I go, but if I had seen it, you know, it is not necessarily inconsistent with what my expectation of the new lease arrangements were in the fact that it was going to be a rollover with similar conditions and arrangements to contemporise it.

**The CHAIRMAN:** It is very different to what is in the draft lease currently.

**Mr Rosair:** As I say, I have not seen the draft lease yet.

**Hon DARREN WEST:** If I could ask you to reflect back to pre-1 July, it is my understanding that the original draft lease letters went out to pastoralists and other stakeholders in the second week of July, so clearly there was a good deal of involvement from your agency in drafting that initial draft lease. Given that you have told us there was a staff of about 12 in the pastoral lease unit, which had to deal with a lot of other issues that you have outlined in terms of a backlog of claims and things that needed to be spread out, and that there was two or three in the pastoral unit, can you tell us who actually drafted that lease and was it like, for instance—I do not want to know the person's name—but did it come out of the Department of Regional Development and Lands, did it come out of the Pastoral Lands Board, did it come out of the minister's office? Where actually did that come from, because it seems to me with a small staff with such work, there needed to be some significant input or in fact the lease was drafted from somewhere and there must have been a fair bit of work done on it because it was a fairly important document to come out before the 2015 deadline? So could you tell us exactly where that original draft lease came from that was posted out in the second week of July?

**Mr Rosair:** It would have primarily been in the pastoral lands unit. There would have been a lot of engagement with our legal people, no doubt. It would have been through the director of our lands division, on the basis of the general principle that, you know, leases would be rolled over to 2015 with the same term leading up. We had some discussion. I had some fairly in-depth discussion about terms, and there was a significant issue around terms.

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**Hon DARREN WEST:** Discussions with whom?

**Mr Rosair:** With my own staff and with the industry, and in fact one of the issues in the legalities was—do you want me to describe this issue on the terms? The terms were that if somebody had a 30-year lease, it would be rolled over as a 30-year lease. And then one of the nuances was that if somebody had done the right thing and tried to improve their estate or excised some land from another adjoining pastoral estate or excised some crown land out or in, then their lease was reduced as a consequence, you know, so they might have gone back to a seven-year lease or 10-year lease. I felt that they should have also had a rollover of 30 years and not be penalised by the fact that they were trying to upgrade their property and all of that.

**Hon DARREN WEST:** Did the PLB have much involvement in the process at this early stage?

**Mr Rosair:** The PLB were regularly updated at the pastoral lands unit.

**Hon DARREN WEST:** Did they get to have input into —

**Mr Rosair:** The PLB, yes, they did. They had input into—again, a lot of the work, and I would say 95 per cent of the work, was around the diversification, the rangelands reform, the tenure of rangelands leases, perpetual leases, compliance and all of that, so 95 per cent of that. There was not a lot of work around the new conditions of the 2015 lease, because the presumption was that it was going to be in similar conditions, with contemporising the conditions to make it easier to administer. As I say, then leading up to the new conditions, I cannot recall seeing—I may have seen a very early draft of some of the conditions of the new pastoral leases, but it did not alert me to any inconsistency with that philosophy. The finalising of the draft probably did happen in that June period when I was still the director general. I probably did not see the draft that was going to go out for release in my time. It probably happened in July.

**Hon DARREN WEST:** I appreciate that, yes.

**Mr Rosair:** If I had had seen it, I would have tested it against the principle that I suggested was applying—similar lease conditions; maybe streamlining its administration; reflecting on some of the onerous enforcement that I had inherited, the 600 outstanding conditions. I do not want to have an onerous lease to create more noncompliance, so I would be very keen to have streamlined conditions.

**Hon NIGEL HALLETT:** Just a couple of points. Do you think your staff sort of erred in the fact of not making you aware, and I appreciate you are on the changeover point of these leases, but for something as quite substantial as redoing the leases, I find it very difficult to accept that no one seemed to check or be aware that the changes you wanted to just modernise it was quite different to what the Shave lease was put out at, and then for the industry to push back, and then say you were not aware, I find it —

**Mr Rosair:** Oh look, yes, there was an element of surprise when I saw some of the agitation from the industry in July and August, as a result of some media. I again had not concentrated on—in part, a lot of the focus, as I say, was looking at upgrading to perpetual leases and rangelands leases, diversification and all of that sort of stuff. My expectation is that the lease conditions are being drafted on the basis of streamlining the lease conditions, making them administratively easier to manage, so we do not have a backlog of 600 noncompliances, because you can never manage 600 noncompliances, and then also the philosophy of getting people to actually manage the outcome of the rangelands, rather than getting into detailed activity. So if I had seen a general lease condition that was being more prescriptive on the pastoralists and being more dictatorial on the pastoralists, I would have been suggesting, “Well, that is not consistent with my view.” Now again, I may have seen some earlier drafts but I did not see the one that was sent out, and if the one that was sent out was overly prescriptive at the time, that would have been maybe not in accord with my philosophy.

[12.10 pm]

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**Hon NIGEL HALLETT:** So it is fair to say that all those termination clauses probably would not have been in the last drafts that you saw?

**Mr Rosair:** Look, I cannot recall what period of draft, but it did not at that time trigger anything in my mind that it was going to be overly prescriptive and adding to the burden that I had inherited from a situation that created 600 noncompliances with directives and conditions. Now, that was the last thing I was wanting, so anything that was going to add to that, I would have questioned.

**Hon JACQUI BOYDELL:** So given the government is still in a consulting phase about the draft leases, the new leases out there at the moment, the current draft, when you did the handover to the Department of Lands, I would assume that the global sort of thought process of the department is reflective of you as the former DG. Obviously you are going at a time when Mike Bradford brings his own thought process to the table, but in terms of the government trying to achieve a much more sustainable outcome for the industry, I would like to think that the Department of Lands actually still had that same philosophy of willingness to continue this engagement process with the industry. So in your opinion of what you have seen in the media and where we are up to and some of the feedback, I guess, committee members have given you that there is angst in the pastoral industry, in your opinion, is this really just a phase and process of the draft lease engagement from the Department of Lands still, and we are looking to have an outcome that is not going to be adverse to the industry or to government?

**Mr Rosair:** I know I have had a lot of discussion with Rob over the years, and essentially my thinking —

**The CHAIRMAN:** When you say “Rob”, for the purposes of Hansard you are referring to Rob Gillam from the Pastoralists and Graziers Association, who is now audience today.

**Mr Rosair:** Yes. I have had a long discussion with the industry, and it is an industry that is under pressure. And I think Rob and I have concurred on many things and how the industry can move forward. One of the philosophical things is that we want to encourage diversification in the industry; we want to give the industry streamlining of our permitting processes to make it easier for the pastoral industry, and Mike with his rangelands reform working with government agencies—Water and Environment—to streamline the permitting processes, to allow them to diversify their economic base to make them more viable. I think the philosophical position of the government and my minister was to encourage the pastoral industry to look at alternative sources of income and make them more viable in certain areas of the state, particularly the southern rangelands. So I have been very supportive and very much aligned with the PGA in most areas. There’s been a few nuances around perpetual leases and that, but philosophically we were driving an agenda whereby you could go into a perpetual lease, you could extend in a rangelands lease to do other activities, and in essence the pastoral lease, the general pastoralism was going to reflect the general conditions leading up and not burdening the pastoralists with, you know, more difficult responsibility. I cannot talk about my opinion and the opinion of the Department of Lands and the like, having not seen the conditions of lease that have gone out. I mean, today’s exercise—I came primarily to encourage the committee to be aware of the economic opportunities of development in the state.

**The CHAIRMAN:** And we will take those on board. Unfortunately, time is got the better of us today. As parliament is sitting in a couple of hours and the committee needs to move on, we are going into private session. Mr Rosair, given the level of interest in relation to some of the questions we have asked you today, I am not quite sure that we have finished asking you the questions that we do need to ask you, so we may be back in touch with you to ask you to come and appear again before we finish our inquiry, if that is okay with you.

**Mr Rosair:** Okay, no problem.

**The CHAIRMAN:** Thank you for coming today. We appreciate it.

**Mr Rosair:** Thank you.

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**Hearing concluded at 12.15 pm**

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