

**ECONOMICS AND INDUSTRY
STANDING COMMITTEE**

**INQUIRY INTO THE DEPARTMENT OF ENVIRONMENT AND
CONSERVATION'S MANAGEMENT OF FORMER PASTORAL LEASES**

**TRANSCRIPT OF EVIDENCE TAKEN
AT PERTH
MONDAY, 3 MAY 2010**

SESSION ONE

Members

Dr M.D. Nahan (Chairman)
Mr W.J. Johnston (Deputy Chairman)
Mr M.P. Murray
Mrs L.M. Harvey
Mr J.E. McGrath

Hearing commenced at 10.22 am

ESBENSHADE, DR HENRY

**Director, Native Title,
Pastoralists and Graziers Association,
examined:**

WEBB-SMITH, MRS RUTH

**Vice President,
Pastoralists and Graziers Association,
examined:**

The CHAIRMAN On behalf of the Economics and Industry Standing Committee, I would like to thank you for your interest and your appearance before us today. The purpose of this hearing is to assist the committee in gathering evidence for its inquiry into the Department of Environment and Conservation's management of former pastoral leases. You have been provided with a copy of the committee's specific terms of reference. At this stage I would like to introduce myself. I am Mike Nahan. Also present is Bill Johnston and Liza Harvey. Mick Murray will be here shortly.

The Economics and Industry Standing Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal procedure of the Parliament and therefore commands the same respect given to the proceedings in the house itself. Even though the committee is not asking witnesses to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of Parliament. This is a public hearing. Hansard will be making a transcript of the proceedings for the public record. If you refer to any documents during your evidence, it would assist Hansard if you could provide the full title for the record.

Before we proceed to the questions we have for you today, I need to ask a series of questions. Have you completed the "Details of Witness" form?

The Witnesses: Yes.

The CHAIRMAN Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

The Witnesses: Yes.

The CHAIRMAN Did you receive and read the information for witnesses briefing sheet provided with the "Details of Witness" form today?

Dr Esbensshade: We saw one page. We signed the front page of it.

The CHAIRMAN Do you have any questions in relation to being a witness at today's hearing?

The Witnesses: No.

The CHAIRMAN Would you please state your full name and the capacity in which you appear before the committee today?

Mrs Webb-Smith: Ruth Webb-Smith, vice president of the Pastoralists and Graziers Association.

Dr Esbensshade: Dr Henry Esbensshade, native title director, Pastoralists and Graziers Association.

The CHAIRMAN Thank you for your submission to this committee. Together with the information you provide today, your submission will form part of the evidence to this inquiry and may be made public. Are there any amendments that you would like to make to your submission?

The Witnesses: No.

The CHAIRMAN We have a series of questions to ask you today. Before we do that, do you wish to provide the committee with any additional information or make an opening statement to this hearing?

The Witnesses: No.

The CHAIRMAN Could you give us a brief description of the Pastoralists and Graziers Association and in particular its relationship with pastoral leaseholders?

Dr Esbenschade: I will start; and Ruth, please add. It is the representative organisation for pastoral lessees as well as agricultural people in the Wheatbelt and other areas of WA. Membership is broad across all regions. We do not have as members every pastoralist but our network, shall we say, of contacts with pastoral lessees is broad and we do speak for the industry.

The CHAIRMAN Do your membership and interests cover the various areas where DEC is purchasing pastoral leases?

Dr Esbenschade: Or has purchased leases, yes, from Nullarbor straight through to the Kimberley.

The CHAIRMAN Have you been representing them in the full length of the process where DEC has purchased pastoral leases?

Dr Esbenschade: That is a question I cannot answer. We think the first purchases of cattle stations or sheep stations by DEC were in the Gascoyne Murchison strategy, but prior to that—my timing might be wrong—Earaheedy and Lorna Glen out in the Wiluna district. There may have been purchases of other stations but we do not have a record of this kind of thing.

The CHAIRMAN Do you know how many pastoral lessees are members of the PGA?

Mrs Webb-Smith: No, I do not know that offhand. I am from the Kimberley area and I know that 72 per cent of the pastoral leases have representation through PGA. That does change. We are getting the amalgamation of leases and also purchases of leases.

Mr W.J. JOHNSTON: Those mining companies that own leases, do they tend to join the PGA as well?

Dr Esbenschade: I would say not. Once they have purchased a lease, their focus is mining. They do not see pastoral issues as important. I cannot think of a mining company that I have interacted with over a pastoral lease issue. Maybe you have, Ruth.

Mrs Webb-Smith: I am trying to think of one off the top of my head. We have got quite a lot of members. I cannot answer it correctly.

Mr W.J. JOHNSTON: That is all right. You might not be able to answer this question either: do you know how many pastoral leases are held by mining companies now?

Dr Esbenschade: I look at a map and I see increasing numbers. I do not have the count.

The CHAIRMAN Your submission says there has been successive funding for pest animal and weed control programs such as Western Shield and goat eradication programs, but a lack of funding for their practical implementation. Could you please talk about that? There is money to buy but not to manage. There is red tape, and too much is being spent on administration and policy development—that is in reference to DEC.

[10.30 am]

Mrs Webb-Smith: With the pest control, what has happened in the past is DEC will go and buy these stations, but part of our lease agreements of course is looking after feral animals, feral pests and weeds, and certainly with fire suppression, monitoring sites, all that part of management of pastoral leases goes through the Pastoral Lands Board of course. We are very much scrutinised by them for that.

We just find that as soon as it becomes a DEC place, DEC does not have the money to manage a lot of those areas. When was that land taken up around Derby? They are actually asking the government to take it back. It was taken out of pastoral leases and now the government wants it to go back to the pastoralists because it is too expensive for governments to try to maintain all those services that the pastoral lessee does as part of the management of a pastoral lease. We find that there is just no money allocated to DEC to do any of this. If you are living next door to a DEC place and fires start on the DEC place, they come straight through and take out our grazing lands. They are not allowed to control some of the species such as dingoes and all the rest of it. That impacts on businesses. It is the biodiversity monitoring. Roads are not being graded so there is no way to get through to these big stations. Some of them are big areas when it comes to fire suppression, fire breaks, and being able to go in to monitor sites and look at water points and fencing. All that infrastructure is being eroded away because there is no money to maintain it.

The CHAIRMAN When DEC buys the lease, it has different objectives from pastoral leaseholders. Its objective is to basically change it from a pastoral lease to some sort of conservation. Is DEC's lack of investment in those types of things due to its change in objectives of use or is it just, as you put it down to, lack of money?

Mrs Webb-Smith: There is a bit of both in that case. There is a lack of money because there still needs to be control in those areas, even for fire burning. I am talking about controlled fire burning in that case. On the other hand, you can go back to the Gascoyne–Murchison strategy. These places were all bought up because DEC wanted so much of a percentage of a certain land system. That suited all parties because it did not infringe badly on the infrastructure and the pastoral industry. Unless we have the numbers of cattle going through, the economic base for pastoralism is threatened because your cattle have to be able to be loaded onto ports and boats, and the infrastructure is affected right down the line. By buying up these big stations and locking them up completely, it was detrimental to our industry as a whole. DEC started off by saying that it wanted only eight per cent of the land system, so it would buy the whole station and then take it back into the other adjoining stations but that did not happen. All of a sudden, the land types that it wanted went from eight per cent to about 15 per cent. How far can it go? In the meantime, everybody still has to look after the invasion of pests and weeds and all the other needs that are required.

Mr W.J. JOHNSTON: Could you give me some examples of stations that have had those infestations coming from DEC land?

Mrs Webb-Smith: It is not so much infestation, but I can tell you about an unbelievable situation in the Kimberley just recently when a fire started on a DEC area and the neighbour nearly died. As a result, it cost them a week's firefighting. The following week she went on a helicopter—no hours on the helicopter, no fuel, nothing.

Mr W.J. JOHNSTON: What was the name of that station?

Mrs Webb-Smith: That was at Brooking Springs. We all have to have permits to light a fire. When it came to DEC getting a permit, it does not have to have a permit to light a fire. That fire could well have been deliberately lit—it looked as though it had been—on DEC land, but it does not even need a fire permit. DEC does not pay rents and rates and all the rest of it, but there is full cost recovery with everything out in the bush, including the Pastoral Lands Board or whatever. That is why rent needs to go up. All of a sudden DEC buys all these places, so there is more pressure on the remaining pastoral leases to supply the money. The cost of production is getting so high for the pastoral industry through the practices of buying land.

Mrs L.M. HARVEY: Is Brooking Springs a DEC-owned property?

Dr Esbenshade: No.

Mrs L.M. HARVEY: It is the adjacent one. It seems as though there is a bit of uncertainty as to whether the fire was deliberately started by the caretaker on the department of environment property or whether it was naturally started.

Mrs Webb-Smith: I have to be careful what I say to you because I have to have my specific information, which I do not have right here. I get a bit worried when the press are here as well and what can go into the press. It was a very, very touchy situation. It got into a lot of personal problems.

Mrs L.M. HARVEY: Did the property neighbouring Brooking Springs where the fire started have a department of environment employee or caretaker in place?

Mrs Webb-Smith: Yes.

The CHAIRMAN You can always provide us with information later in the form of a submission. If we raise an issue or ask a question, like we have, you can always go and check your facts.

Mrs Webb-Smith: I can add to those facts but I could finish up in court. I do know the background to that whole issue.

The CHAIRMAN You cannot end up in court.

Mrs Webb-Smith: You do not think so?

The CHAIRMAN We are privileged. I have a couple of questions on fire. We did a trip through the Murchison and Goldfields and fire was not raised too much. There are big properties up in the Kimberley. You are talking about controlled burning. DEC says that it has a good-neighbour policy. You would think that if you are doing controlled burning, a good-neighbour policy would mean you coordinate controlled burnings. What do you think about this good-neighbour policy? Is it a reality?

[10.40 am]

Mrs Webb-Smith: All right; I also had a property in the Pilbara and I went to some of the good neighbour policy meetings. The amount of money that went into it from the department was very substantial, and as it comes out in the document it all sounds really good, but on the ground it is far from working, for the reasons outlined in this submission.

The CHAIRMAN One of the problems is that DEC does not pay rates, and therefore the money does not contribute to the actual implementation of, say, fire protection.

Mrs Webb-Smith: If a pastoralist hits hard enough, there is sometimes a small amount of dog-baiting that will go on along a perimeter. As far as fire suppression is concerned, I think it does some form of fire suppression, but it is not effective like the way we do it because it has to protect our stock, feed and all the rest of it.

The CHAIRMAN Is one reason why it will not do fire protection that it has different uses for the property? Fire protection in your area includes exposure and regeneration of grasses. DEC does not care about that.

Mrs Webb-Smith: The biosecurity people actually do, because they believe that mosaic burning—they call it “traditional burning”, but I do not—was the way that the Aboriginals used to go through and burn, and it was a way of preventing wildfires; I suppose the committee has heard about that. We believe that that should still be carried on, fairly extensively, on DEC places to prevent wildfires as well.

The CHAIRMAN But DEC is a world leader in this type of mosaic controlled burning activity in the forests of the South West; it has been an advocate and a developer of it for decades, but you are saying it does not do it very extensively in the north?

Mrs Webb-Smith: No, because the areas are so huge and vast, and it takes a lot of money and resources. Even FESA finds it hard to address the costs that are involved. When we talk about the different areas from the Pilbara to the Kimberley, the different landforms, we do not quite have the big wildfires unless it is an exceptional season in the Pilbara.

Dr Esbenshade: I would answer this, if I can? Michael, you have asked questions as to why the good neighbour policy may not be as good neighbourly as it could be. There is a factor here that we put in our submission; it is the Dividing Fences Act, which does not require DEC to maintain its side of the agreement, shall we say, for boundary fencing. The second thing is that, in relation to the fire issues, the linkages between DEC and FESA are very, very tenuous. It depends really on, shall we say, goodwill between the managers. The manager in the Kimberley has changed; he has only been there three years or so, and the previous one had been there for longer. The relationship was explored by the EPA in its review into fire in the Kimberley and pastoral areas of Western Australia, some four years ago. There is considerable need for a greater heightening of knowledge about how state government agencies interact in relation to fire and how they work with pastoral lessees.

The CHAIRMAN Just to summarise, you have identified a couple of issues. Could you elaborate on the Dividing Fence Act and the fact that it does not need to contribute? We saw instances in the Goldfields of DEC paying for part of the fencing, but you are saying that that is an option that it does not really have to do?

Dr Esbenshade: Yes, it depends on the will of the DEC manager in that area and his relationship with the pastoral lessee, and possibly some other variables, including biodiversity sensitivity. It picks and chooses who it does fencing with, and there are many areas where it has not.

The CHAIRMAN Okay. Could you give us some examples? We would like to specify some areas in the report. If you cannot do it today, perhaps you could make a supplementary submission. Give us some examples of where the fences are not. One of the issues that has come up that I would like you to comment on—again, this is in the Goldfields—is when DEC comes in, buys a property, chooses to put in a fence and asks the adjacent pastoral lease holders to pay for 50 per cent of it. Prior to DEC purchasing the pastoral lease, it was run as a pastoral lease and there was no need to fence; they just kind of jointly managed the boundaries in terms of egression of animals. What do you think about the issue of change of ownership leading to expenditure in a potentially very expensive fence?

Dr Esbenshade: It is a real problem.

Mrs Webb-Smith: I would think in most cases pastoralists would not have the financial backing anymore to put in very expensive fences due to a change in a purchase arrangement, I would think. There would be a few upset people around.

The CHAIRMAN What do the mining companies do when they buy a pastoral lease? Do they fence them? Could you check that out for us?

Dr Esbenshade: I think the committee should find that out from the Pastoral Lands Board; we are not able to interrogate owners of leases that are not members.

Mr W.J. JOHNSTON: You have not had complaints from your members about the mining company leases?

Dr Esbenshade: I do not have any on record here.

Mrs Webb-Smith: No.

Mr W.J. JOHNSTON: In your submission—we have sort of traversed this slightly, but I just want to go into a bit more detail—on pages 2 and 3 you talked about DEC's taxpayer-funded control programs not being very effective, and that DEC's policies in this area have been words and no

action. Could you give us some examples in respect of pest animals where these problems have come to your attention?

Dr Esbenschade: The Murchison, with the dogs, I suppose.

Mrs Webb-Smith: Yes. The feral dog situation in Western Australia is immense at the moment, and we have almost lost the total sheep industry out of it, but when there are huge tracts of land where the dogs are just breeding up all the time without any baiting, in most cases, it is a huge problem for the industry as a whole.

Mr W.J. JOHNSTON: Could you give me an example of where DEC has a lease that it is not baiting?

Mrs Webb-Smith: Okay; we will need to get back to the committee on that. I can make a list.

Dr Esbenschade: The people the committee met in the Murchison would have given those names; we do not always get that detail. The submission from Wahroonga station in August 2006 speaks of Pimbee. Did the committee find out whether Pimbee station had smartened up its baiting?

Mrs Webb-Smith: The wild dog area is particularly in the Murchison area, and I am not as familiar with the Murchison.

The CHAIRMAN In the Goldfields, they do not have sheep; the stations run cattle, as I understand it, and dogs are not a problem with cattle—is that true?

Mrs Webb-Smith: That is not quite true; I am in cattle country, and we dog-bait all the time, because they take calves.

The CHAIRMAN So eliminating dog populations is important even in cattle country?

Mrs Webb-Smith: Yes, very much so.

Mr W.J. JOHNSTON: Can I put a comment to you? How would you react if someone said that if one is running cattle, dogs are only a problem if the cattle are not in good condition?

Mrs Webb-Smith: That can happen, but I believe that they will take down cattle whether they are in good condition or poor condition. I do not actually live on stations now; I did up until 2004. Our calving rates dramatically rose when we put in dog-baiting programs and a couple of other programs. I think the calving rate went from something like 56 per cent up to about 84 per cent. I do not have the specific numbers, but that is the observation that I had in 2004.

[10.50 am]

The CHAIRMAN But where you have cattle, in your areas at least or perhaps in the Goldfields, do the pastoral leases still try to control dog numbers?

Mrs Webb-Smith: Yes.

The CHAIRMAN As a standard practice?

Mrs Webb-Smith: Yes, it is quite a big program on cattle stations. It is a big program, not quite a big program.

The CHAIRMAN That is not clear from our debate so far. The impression, as Bill said, is that dogs are not a problem if you have cattle. Everyone agrees that they are with sheep. You also made a statement that the dog problem is so severe that it is one of the drivers for the loss of the sheep industry. Could you explain that a bit, or is it price factors also?

Mrs Webb-Smith: Again, I can come back with some really good statistics, but this is quite onerous here to make sure that statistics are right. I had better not quote the figures, but basically sheep herds have been decimated. The only ones that have been saved are the ones where they have been able to keep up the dog-fencing areas.

The CHAIRMAN Can you fence dogs out?

Mrs Webb-Smith: That becomes a huge debate, because at the moment we are trying to look at different cell patterns and all the rest of it. Some are saying that the dogs are already in now, but there has been such a huge shift of dogs. They are all moving north now and the cattle people are starting to realise this. We are even getting them in the Kimberley in quite large proportions now.

The CHAIRMAN There is probably data on this, and you might not have it; I recognise that. Are the dogs a new phenomenon? They have been around for a long time, of course. Have the dogs been a problem in recent years, or are they a growing problem?

Mrs Webb-Smith: There are a few factors. One is the fact that we now have better water across all pastoral areas, so you certainly have that assistance for a dog to be able to survive so their numbers have increased. In years gone by, we always had doggers who were affordable, and so there was just a nice balance within the pastoral areas. Now the cost of having a dogger is too much for the industry, because what we are getting now for a sheep or for cattle—we are getting \$1.60 a kilo for cattle and you know what you have to pay for it in the supermarkets—we got that 20 years ago. If we were getting \$3 or \$4 a kilo, you could still afford a dogger on the ground, but we are not able to afford that dogger on the ground anymore. That is why the dog population has exploded, because there is no control.

The CHAIRMAN Is the ownership of the pastoral lease by DEC a significant contributor, do you believe, to the rising dog populations?

Mrs Webb-Smith: Yes, because whilst a pastoralist used to always go out and be able to drop his baits or his traps or whatever, even if you did not have a dogger and you could not afford dogger, you were always able to have a gun, particularly a handgun. There is lots of other legislation that has come into this. First of all, there is what poisons you can use now. The other is that we cannot have handguns anymore. It is all those sorts of things, including the fact that these great big areas are now big breeding grounds for that type of thing.

Mrs L.M. HARVEY: I would not mind getting down into how you determine where these animals are breeding. A lot of the department of environment-managed properties have had a policy where they have cut off all the artificial water supplies. The argument that they put is that if they cut off the artificial water supply, the numbers of all animals—native pests and feral pests—are reduced as a result of the lack of water; therefore, they cannot be the breeding ground for these animals because they do not have the water. The suggestion has been made that the regeneration on those properties as a result of the reduction of feral animals has caused the encroachment of these feral pests on to their properties from neighbouring pastoralists.

Mrs Webb-Smith: That is a new concept.

Mrs L.M. HARVEY: Given that you have said that water is the key driver—that the dogs need water—

Mrs Webb-Smith: It is “a” driver.

Mrs L.M. HARVEY: But nothing survives in those areas without water. If the department of environment properties do not have the water source there, are there other options? Has anybody seen the dens or have they actually tracked these dogs back to where they are breeding to try to find out where the problem is coming from?

Mrs Webb-Smith: We as pastoralists certainly do not have the right or the money to even investigate that type of research. Whilst DEC has the money to research, it will be researching it for a different reason from what a pastoralist would want to research it for. If you have a neighbour who is another pastoralist and does not do dog baiting, we often feel the impact on those boundaries because we know that our calving rate is down on that side because so-and-so does not bait.

Mr W.J. JOHNSTON: In fact, I could put it to you that some pastoralists might say that if you are running cattle and they are in good condition, the dogs will keep down the kangaroos. How would you react to that?

Mrs Webb-Smith: That would depend on what area you are in. Kangaroos are not a problem in the Kimberley. They are starting to move across country from the southern areas, but I do not know that I could answer that.

The CHAIRMAN The pastoralists have various processes to collectively deal with pests—feral animals. Does DEC participate in those along with other pastoralists and plan their baiting or help fund doggers or other issues?

Dr Esbenschade: I would only say to you that our knowledge at Pastoral House is that the funding through the Agriculture Protection Board has been reduced significantly. Pastoralists are less able to manage pests than they have ever been, and the responsibility of DEC is all interlinked. There is a new barrier fence planned as a result of these problems, so there is a heck of a lot of information that the agriculture department has about the questions and particularly what Ms Harvey has asked. I should think that the department of agriculture would have a fair amount of this information.

The CHAIRMAN They have made a submission and will be giving evidence later this week, I think.

Mrs Webb-Smith: The other thing is that Henry mentioned APB. You are aware that the Agriculture Protection Board has now been changed. Of course, we are the ones who pay those rates. The pastoral lessee pays rates, but DEC does not have to, of course.

The CHAIRMAN One of the issues that keeps coming up is the financial solvency of many pastoral leases. As you said, there has not been any real rise in the price of output for a while. These are very large properties. We get feedback that you have to compete with the mining sector for labour costs, such as doggers. You would not want too many of the ones we met on a mine site. Is this just a symptom that the economics of pastoral leases have passed the pastoral system by, that most of them are no longer liable and that they will continue to be unable to fund the management of these large properties in terms of pests and other issues?

Mrs Webb-Smith: I think, again, it is a scenario of who is running the debate and who is writing the minutes. I can assure you that a place that we bought in the Kimberley was deemed to be unviable and it finished up being an absolutely brilliant place due to the way it was run.

The CHAIRMAN Could you name that property?

[11.00 am]

Mrs Webb-Smith: Beefwood Park Station. The department did not want to take it off; it was subdivided off Gogo conglomeration because they felt it would be unviable. There was another one right next door, and there are a few of them up there that were all part of that group and they are all viable stations. So you say, “Have they gone past their use-by date?” At the rate of change that is happening within bureaucracy at the moment right across Australia, I do not know how the basis of economic society is going to survive.

The CHAIRMAN I mean for pastoral leases.

Mrs Webb-Smith: For pastoral leases or right across the board. We will go for pastoral leases.

This is a food production thing we are talking about. Once all the infrastructure for food production has gone, if ever there is in Australia's and Western Australia's future, you will not just be able to pick it up like that; the skills and the people are gone for starters. We are finding it hard now to get skilled people in the system, but there will be a turnaround. I believe there has to be a turnaround, and that the crash will have to happen within urban society first before they realise the real function of economic base has to be on sustenance of food and food production, but it has to be at affordable prices. It is a bit like what is happening with mining; you have to have it at affordable costs. But at

the moment we are just being legislated to the hilt and overregulated, so much so that we cannot even turn around and castrate these days without comments from a whole lot of urban people who do not understand that that is just part of what happens in the food cycle. They are looking at pain relief and all this sort of stuff now. We will not be able to afford for a vet to give each animal an injection for pain relief every time we want to cut, castrate, spay, dehorn or whatever. This is the stuff that we are coping with now. Animal liberation, animal rights, conservation and biosecurity groups are talking about self-monitoring now. Self-monitoring, my goodness me; that is no different from basically when I sit down every three months to do a BAS; it is only me voluntarily working for the tax department because I am collecting tax for them. The term “self-monitoring” sounds good but what it means is that we will be doing the work but the auditing will be done by somebody down here on a very big salary—probably four times what a pastoralist or anybody working on a pastoral lease is getting. So it is rules and regulations that have just gone overboard and I do not know when Australia will wake up. But, anyway, do you want to make a comment on that?

Dr Esbenshade: I am happy to add that I think there is considerable concern about the issue you have raised and the importance of government-owned stations to be good neighbours.

The CHAIRMAN There are a couple of other issues I would like to raise. One is human heritage—buildings. When DEC acquires property, is it maintaining, in your view, the heritage, and if you could give us some instances? We have seen that some of the station houses or homesteads are quite impressive but fragile. If you take the water from them, they go downstream quickly.

Mrs Webb-Smith: There are more cases of this in the Pilbara and the Murchison–Gascoyne area. You might have comment on that.

Dr Esbenshade: We had one station lessee in the Shark Bay area speak about this and how important it was to get the care of the homestead right, and he has talked to other people as well. I would have thought that information, some detail, about what we have written here would have been given to you when you were in the Murchison.

The CHAIRMAN Certain people mentioned it.

Dr Esbenshade: So what are you looking for—more?

Mrs L.M. HARVEY: Specific examples.

Dr Esbenshade: A specific example. Okay; we can get that.

Mrs Webb-Smith: We will get them for you because sometimes when you are talking to us like this, we can just see it. We live it and just watch it and then we forget to put it in papers like this.

The CHAIRMAN One of the debates here is that we get a lot of statements and generalisation and there is a 180 degree polarisation of views on this one. What we need to do is get some evidence.

Dr Esbenshade: Sure; no worries.

Mrs Webb-Smith: We will have to get back to you on that.

Mrs L.M. HARVEY: Back on page 3 of your submission, you talk about the department of environment caretakers. The statement was made that they are largely unskilled and housebound. It would be good if we could have some specific examples of those properties as well.

Mrs Webb-Smith: Yes, we can get those.

Mrs L.M. HARVEY: We have certainly met some caretakers from department of environment properties and they were very able-bodied and very knowledgeable in what their roles and duties were, so I would be interested to know where those examples are.

The CHAIRMAN A supplement to that is that, clearly, in certain cases DEC does not have a caretaker or is deciding to remove the caretaker. They say that they have a caretaker where it is necessary or they have a caretaker on one property who manages a close-by DEC-owned property.

If you could give us some examples where there should be a caretaker but there is not, or the caretaker is going to be removed, that would be helpful.

Mrs Webb-Smith: We know the person to contact on that.

The CHAIRMAN: That is a major issue. You cannot manage a property, even its transition to conservation, if you do not have somebody around; these are huge properties. Could you give your views on not whether the caretakers are up to scratch, but whether they are restricted in what they do, so much so that they cannot function to manage the property?

Mrs Webb-Smith: Yes, there would be an element in there, of course, as to a description of their duties.

The CHAIRMAN: Yes, we will ask DEC about that, but we would like the pastoralists' perspective on that too.

Dr Esbenshade: We will get people who have told us that.

Mr W.J. JOHNSTON: We have had evidence, like you are giving today, from some pastoral leaseholders and, of course, we have met pastoral leaseholders; we have not taken evidence from them, but we listened to them. One of the things that I am always interested in is the cost of the lease. Most of the people tell me that they are paying about 3c to 4c per hectare for their lease. I am wondering whether you think the lease payments are about right, too high or too low.

Mrs Webb-Smith: Do you mean the rents?

Mr W.J. JOHNSTON: Yes.

Mrs Webb-Smith: Rents on these leases?

Mr W.J. JOHNSTON: Yes.

Mrs Webb-Smith: What shall I say? I believe at this stage they should be peppercorn rents for the amount of work we do for the government to look after these leases on behalf of the state, because one point is that land tenure is absolutely archaic and there is no security in the land tenure. The second point is that they keep on bringing it up 3c a hectare or whatever. Again, it is on whatever side of the argument you are trying to work on. At the moment—I can give you the evidence if you want—a big company in Western Australia has leases in the Kimberley and leases in the Territory. It is paying over \$9 per head for rents—this is the increase in rents and then you get your shire rates on top of that and the APB. Excluding APB—just rents and rates—it is \$9-plus. I think it is around \$9.40, but it will be over \$9 —

The CHAIRMAN: Is that per head of livestock?

Mrs Webb-Smith: One head of livestock. In the Territory it is \$1.46 and they have got perpetual lease. It will increase the operating costs of this company by over 15 per cent with this new increase in rents, and it is just unviable. People are not even looking to invest in WA now. There was a big company, Consolidated Pastoral, which is the Kerry Packer one, that wanted to look at Moola Bulla. The restrictions that were put on that place, as far as destocking and what they wanted to do, by the agriculture department and the Pastoral Lands Board were so immense that it was unviable to try to even buy the place.

The CHAIRMAN: What happened to it?

Mrs Webb-Smith: It is still sitting there unsold and they are still using it as a benchmark because the Great Southern tree plantation wanted a lot of money for it. That is a bit of a benchmark there; they will never ever get it.

The CHAIRMAN: That is the company that has gone bankrupt—Great Southern?

[11.10 am]

Mrs Webb-Smith: Yes. Then we have other inflated costs. A few—not many—inflated sale prices have affected that rent situation. They talk about the unimproved value of the land. No station lease in Western Australia is sold purely as an unimproved piece of land. There is no certainty around how you can even value that. It gets down to the rate in the dollar. The Pastoral Lands Board and the minister had every chance to change the rate in the dollar to suit the profitability of the businesses, the markets at the moment and the costs involved. So many other areas used to be in the criteria about 20 years ago, but that is not happening now. They are basically using the market value. We have mining companies buying land because they do not want cattle there; they want to race around and do whatever they want to do on it and, naturally, they will pay whatever they want. Sorry; I have got off the mark a little bit.

The CHAIRMAN Are there any other issues you want to raise?

Dr Esbenshade: Yes, I would like to speak to page 5, at the end of the submission. It refers to exclusive possession under native title. I think that what we have written is clear. Do you understand it?

Mr W.J. JOHNSTON: Would you read out the words that you are referring to?

Dr Esbenshade: I am referring to the words “the acquisition” in the last sentence.

The CHAIRMAN Do you want to make an additional statement to it?

Dr Esbenshade: No. If it is not clear, I will speak to it.

Mr W.J. JOHNSTON: We know about that.

Dr Esbenshade: I would like to know also whether you do need examples—I was not clear—of why DEC stations have not baited versus dogs. I noted for Pimbie Station: is it better now than it was in 2006? We do not get this information updated. The Pastoral Lands Board would and the Agriculture Protection Board would. Do you need us to dig up this information?

The CHAIRMAN No; as I said, all those bodies have provided or will provide submissions. Most of them will give evidence and we will put those questions to them. Our procedure is to talk to a wide range of people.

Mr W.J. JOHNSTON: You need to understand the position that you are leaving yourself in. If the APB, the agriculture department or even DEC makes a submission that contradicts your assertions, that will be the only evidence that we are presented with. You have said these things are true, but you have not yet provided the evidence for that. If somebody else provides us with evidence to the contrary, it is hard for us to agree with you.

The CHAIRMAN Again, I emphasise that we get a 180 degree difference in views here.

Mrs Webb-Smith: Could I add that, as pastoralists, we do not have the resources. Even in the Pastoralists and Graziers Association, I am doing everything voluntarily and we have Henry who is really involved in native title.

The CHAIRMAN I understand the limited resources of the resource base. That is why, as Bill said, we are trying to get as much evidence as possible from a variety of sources on which to make decisions and recommendations. We understand that the database is pretty weak on much of this stuff.

Dr Esbenshade: I will explain a little further. We were aware that you were taking a tour, visiting the Murchison and Wiluna districts. Pastoralists there, we assume, would have provided you with those details on the spot—that is, of the stations they know on which baiting is not done or the fencing is inadequate. If they did not, I will ask them. They simply did not supply that detail to us. Our knowledge base is built on what they tell us. We do not have the time to get all the detail from them and they do not have the time to provide it to us.

The CHAIRMAN They did. That is why we went out into the field. We took evidence from them. We have submissions from most of them. We also had verbal submissions. We met a large number of pastoral leaseholders, particularly in the Murchison. They gave us numerous examples. Again, we have to be thorough and we fully expect to have alternative views put to us. We are looking for hard evidence. If you cannot provide it, you cannot provide it.

Mrs Webb-Smith: One thing I would like to comment on is an issue that pastoralists are reluctant to bring forward. If there is an avenue of remuneration for a neighbouring property owner or lessee, they would be willing to do a lot of this work on DEC places. I can see that even in our submission we have put that issue at the bottom, but it is one that should be at the top.

The CHAIRMAN DEC says that it hires pastoral leaseholders in the Goldfields for a variety of things; for example, rolling, grading, fencing and other activities. Do you think that DEC is not hiring people to do the work?

Mrs Webb-Smith: I have not heard of it occurring anywhere in the Murchison or the Kimberley.

Dr Esbenshade: I do not know.

Mrs Webb-Smith: We can ask.

The CHAIRMAN There are two issues with DEC. They are managing their properties for different reasons from adjacent pastoral leaseholders. One of the reasons for limiting this is that pastoral leaseholders would like to manage DEC land like theirs in terms of standing stock, pets and whatever. There is a difference here. There is another issue with hiring locals. We heard from DEC that it seems logical to hire locals to do work around your property. You cannot get anyone else. If you have any evidence to show that they took in people other than their neighbours, it would be interesting. As I mentioned earlier, a good-neighbour policy is supposed to prevail. Do you have any other issues you would like to raise?

Mrs Webb-Smith: No.

The CHAIRMAN Thank you for your evidence before the committee today. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added via these corrections, and the sense of your evidence cannot be altered. Should you wish to provide additional information, which we discussed, or elaborate on particular points—that is, provide more detail—please include a supplementary submission for the committee's consideration when you return your corrected transcript of evidence.

Hearing concluded at 11.18 am