

## HANSARD 18 AUGUST 2010

### ECONOMICS AND INDUSTRY STANDING COMMITTEE

*Fourth Report — "The Department of Environment and Conservation's Management of*

*Former Pastoral Leases" — Tabling*

**DR M.D. NAHAN (Riverton)** [9.59 am]: I present for tabling the fourth report of the Economics and Industry Standing Committee, "The Department of Environment and Conservation's Management of Former Pastoral Leases".

**Dr M.D. NAHAN:** In 1997 the Gascoyne–Murchison rangeland strategy was established to address a serious economic downturn in the pastoral industry. The GMS steering group found that the rangelands environment was generally in poor condition and recognised the need for some land in the rangelands to be set aside to form a representative area for conservation purposes. The convergence of these two aims—the downturn and lack of sustainability of the pastoral lease industry generally and the need for an expansion of the conservation estate—led to the Department of Conservation and Land Management, the predecessor of DEC, being given the task of purchasing pastoral leases and rehabilitating these former pastoral leases back towards a natural state and eventually converting them to a conservation estate.

Since 1998 the Department of Environment and Conservation has spent around \$9 million, with funds primarily provided by the commonwealth, to purchase 32 whole and 28 part–pastoral lease properties. These purchases combined to total 6.1 million hectares, or about two per cent, of the state's landmass. It is a big area. While the policies of DEC to purchase and manage these leases were not assessed by the committee, the evidence presented to the committee supports the policy.

Indeed, the purchases were, in general, supported by the pastoral industry. The issue examined in this inquiry was DEC's management of these leases, specifically whether it appropriately managed the transition from pastoral lease to conservation estate, whether it adequately managed feral animals and plants on new properties, and whether it worked constructively with adjacent leaseholders.

The committee decided to undertake this inquiry because of the increasing body of evidence and complaints that all was not well with DEC's management of its former pastoral leases and that DEC's actions were having an adverse impact on adjacent pastoral leaseholders. The committee also recognised that the commonwealth and state governments had invested substantial funds in the purchase of these leases, and the transfer of the pastoral leases to the conservation estate is a major tool in improving the sustainability of the pastoral industry.

In carrying out the inquiry, it became clear to the committee that many pastoral leaseholders and properties are struggling and that the industry as a whole faces major challenges, challenges that go to the sustainability and, indeed, continued viability of this industry. Notwithstanding the importance of the sustainability of the pastoral industry, the committee kept to its terms of reference and restricted its consideration to the management of DEC's former pastoral leases and its impact on adjacent properties. The Liberal–National government established the Southern Rangelands Pastoral Advisory Group to examine the sustainability of the industry.

It recently completed its "Review of the Economic and Ecological Sustainability of Pastoralism in the Southern Rangelands of Western Australia". I urge members and the wider community to read this report; it deals with an important issue. While the pastoral industry is a shadow of its former self, it remains a vital industry.

Most importantly, it manages nine million hectares, or 36 per cent, of the state's area. If the industry fails or falters, which is a real risk in some areas, there is no other obvious commercial use of that land and its management would obviously fall on the state, with huge costs. It is an important industry and improving the sustainability is vital.

What did the committee find? First and most fundamentally, the committee found a cultural gulf between DEC and the pastoralists. It is as if they live on different planets. To a degree, this is understandable. The cultural differences between DEC officers and pastoralists are wide.

DEC officers are university educated, conservation focused, and appropriately so, on fixed salaries with superannuation, and, by the standards of pastoralists, on pretty high incomes. They live in Perth or adjacent city centres and they drive nice vehicles, supplied by DEC. In contrast, pastoral leaseholders are generally knockabout types, focused on trying to make a business in a difficult environment, dependent on the success of their business for income, which sometimes is hard, and generally on low incomes.

They confront a huge range of threats that they have no control over whatsoever. Importantly, a lot of the capital in these areas, whether it is a car or fences, is clapped out. Differences in management perspective are to be expected. DEC's task is to convert these properties from pastoral leases to conservation estates, which includes eliminating stock, reducing or eliminating native and feral animals and eliminating man-made water supplies and the infrastructure built up by former pastoral leaseholders.

It is converting to a conservation estate and conservation is its focus, and appropriately so. On the other hand, the pastoral leaseholder must focus on expanding his stock, feeding his stock, getting feed in often drought-prone areas, maintaining water, eliminating feral animals and reducing stock of natives. They have different management objectives. However, DEC also has a number of objectives.

One of the reasons it purchased this land was to help the sustainability of the pastoral industry. It has a conservation goal, but it has a wider goal of helping the sustainability of the industry. Also, it has to recognise that its actions impact on its neighbours, controlling feral animals requires cooperation amongst landholders and funding is required for joint action. Funding is very short in the bush. To manage joint tasks, we need people on the properties.

One of the most outstanding things for me is the size of these properties and the lack of people. Many of them are 400 000 hectares with two people managing them. When people are pulled off an adjacent pastoral lease, it substantially eliminates the population in that area, and people are key. DEC's purchases were motivated by the sustainability of the industry, and we must recognise this. DEC recognised the need for a good neighbour policy. In fact, about three or four years ago it put in place a good neighbour policy. One of the major findings of this report is that, even though the intent was there and the recognition of the need was there, in many cases it simply was not followed through. This failure of the good neighbour policy manifested itself in many ways.

I would like to go through some of these, not all. One of the directives of the Gascoyne–Murchison strategy was that when DEC purchased these lands, it would sit down with its neighbours and say that DEC is going to purchase this land, some of which is important for the conservation estate and some of which may be better used for pastoralists and to aid the sustainability of adjacent pastoral leaseholders; in other words, “you take what you get”. In some cases, it did this.

It purchased a number of part leases and it did trade and sell some of the leases to adjacent property owners. This was more the exception than the rule. Basically, DEC appears to have gone in there, bought the leases and tried to control them all itself. We did not assess it in full but there was a large amount of feedback that many of the pastoralists had approached DEC, tried to get some of the leases and were knocked back. Right from the start, it set off a bad relationship between DEC and its adjacent pastoral leaseholders. I think this has permeated through the system.

One of the overriding issues was that DEC systematically failed to communicate its activities with its neighbours. Indeed, a common refrain from the pastoralists was that they had no idea what DEC was doing about feral animal control, firebreaks and road maintenance. Given the communication services and the lack of people in those areas, communication and cooperation is absolutely vital if these leases are to be managed. This complaint was heard over and over again.

One of the reasons for this is that DEC officers are really fly in, fly out people. They do not live in the area but live in Geraldton or Kalgoorlie and they come in irregularly and unnoticed, often to look at their estates, and do not communicate with adjacent pastoralists. When the areas were closed, many of them did not leave caretakers on site. They are outsiders, not communicating.

DEC often failed to coordinate its pest, animal and weed control problems on its former pastoral leases with the zone control authorities and pastoralists. As a result, feral animal populations are too high.

When officers from the Department of Environment and Conservation go in, they quite rightly cull the stock. The department culls feral animals down to a level that it sees fit, then pulls everything out, but it closes down water sources that are the key to animal stocks. Sometimes there are natural water sources. Sometimes it does not close all the water areas, and its properties have become at times a haven for feral pests and stocking levels, which then infiltrate and infest adjacent properties. This needs to be coordinated. There was clear evidence of DEC failing to do so.

One of the biggest issues in not all but some of the pastoral regions is the large growth in the dog population. This is an aspect of the cultural divide between DEC and pastoral leases. DEC does not need, from a conservation perspective, to have a very low standing stock of dogs. Dogs, particularly the dingoes, are in part natural. When pests and stocks are culled, dogs disappear in numbers. DEC is not trying to raise sheep or cattle for income, so it does not care, but the dogs are an absolute plague on the pastoral leases. It is quite clear that DEC has not invested adequately as a good neighbour in dog control.

We received many complaints that DEC does not allow reasonable access to adjacent property leaseholders to its properties to chase and cull pests. In the farming community, neighbours must be allowed, if they are chasing pest and feral animals, to go across the property and shoot them or eliminate them.

It is commonsense and good neighbour practice. We receive many complaints that this simply was not allowed; some reasons related to whether a leaseholder had an adequate pest control licence and what-not. There was a fight about the level of licence for culling. But commonsense does not seem to prevail in this area.

The committee found that one reason for DEC's lack of adherence to a good neighbour policy is that some DEC officers, even at a high level, believe that the pastoralists are part of the problem, not part of the solution; and that pastoralists have spoiled the environment and cannot be relied on to bring it back and improve it.

They seem not to understand that history. Even though the pastoral regions and many pastoral leases have been overstocked and the environment depleted because of overstocking, much of this through history was forced on pastoral leases by the laws that required them to have minimum stocking rates. There has also, in the rest of the community, been a generational change in the pastoral industry. Pastoralists now recognise the need for environmental sustainability and recognise that pastoralist areas have been degraded, and are putting efforts into it.

One of the areas the committee visited was Wooleen station. We met a young man, David Pollock, and his partner Frances Jones. At their own cost, they destocked their pastoral lease. Whilst destocking, they put in great effort to bring it back to a more sustainable state. They were doing that at a huge cost. I got the impression, through the committee hearings, that DEC did not recognise or try to help the growing environmental and sustainability awareness of the pastoral leaseholders.

To be honest, DEC has a conservation role, but if we are to improve the sustainability of 90 million hectares of pastoral leases, it will not be DEC that does it; it will be the pastoral leaseholders. In this state we need to tap into the pastoral leaseholders to augment and to assist their inherent derived sustainability.

Another impediment to the good neighbour policy and to effective management is that DEC simply does not invest enough money in the management of these properties. Over the years they spend, out of their budget, about 34c a hectare on management. That money is meant to cover not only initial adjustment such as destocking, water source removal, culling of feral animals, removal of buildings, building new fences but also ongoing maintenance of the lease, including caretaker fees, baiting feral animals, rehabilitation and road maintenance.

As a result of inadequate funding, DEC looks to cut corners and avoid expenditure at all points. For example, DEC fails to pay local government rates or provide matching funds to the zone control authorities. As a result, DEC's purchase of the leasehold has resulted in a loss of funds to the community and the loss of funds for overall collective feral pest management. DEC fails to provide adequate funding for pest management on its own properties, and the hiring of doggers.

DEC has also failed to provide funding for caretakers on many of its properties; indeed few ex-leases have caretakers. Even when DEC provides funding, the caretakers are often funded on the cheap. Payments are not made with cash income or with the purchase of assets, but usually with food and petrol vouchers, diesel for the generators and subsidies for the phones. This results in DEC reducing the number of people on the land and having inadequate coverage. People simply do not have the incentive and capability to manage or even look after or monitor the properties.

One of the strangest things that I identified is that DEC has also at times failed to appropriately manage in a humane manner the culling of animals. The committee found examples of animals being allowed to congregate in search of water and die en masse in a manner that is simply unacceptable. Although I think these instances were oversights and probably caused by inadequate funding and a lack of local staff, they were outcomes at odds with DEC's conservation goals and values.

DEC admitted to the underfunding. When asked why; it came up with the rationale, which is probably right, that, "Governments easily give us money to purchase assets but they do not give us money to manage those assets. The tactic we took, and the tactic many people take, is we take the money for the assets. When the problems of lack of management come to the knowledge of governments, they give us money for management."

In other words, DEC went out, bought a lot of land that it knew it could not adequately manage given the funding available. That might be a good bureaucratic policy but I do not think it is justified. It is not justified going forward. The task of DEC is to purchase the assets but also to say, "Give us adequate money for management." Besides, DEC has a big budget.

The committee found a number of other problems with DEC's management of former pastoral leases. One of the issues was the exclusion of prospectors and another was a lack of preservation of heritage buildings and infrastructure. I hope some of my colleagues on the committee reiterate these. The committee made 19 recommendations; this one I would like to emphasise —

The Department of Environment and Conservation not acquire any more pastoral leases until it has addressed and implemented the opportunities for improved management ...

In other words, DEC should manage what it has. Let us improve those areas before any more are purchased. DEC should put its moneys into management rather than into purchasing more assets. To be fair to DEC, it has no plans to purchase more assets. Recommendation 7 states —

The Department of Environment and Conservation allocate appropriate resources to competently manage its former lease properties in a manner consistent with its conservation objectives ...

In other words, DEC should put its efforts into managing these things and develop a good neighbour policy. Importantly, we recommended that DEC pay, and the government match, an amount equivalent to the agriculture protection rates to the zone control authorities. In other words, pay the rates and make a contribution to the joint management of feral pests. That is being a good neighbour. In the context of good neighbour policy, the committee recommended that DEC coordinate its pest management and weed control programs on its leases with the zone control authorities—that is, work with neighbours to control its own pests as well as joint pests.

Although the committee found deficiencies in DEC's management, it was heartened by not only DEC's cooperation in the inquiry—its officers attended many times and very readily—but also its apparent readiness to address the deficiencies in its management when identified. I trust the committee's report will serve as a valuable tool in guiding the Department of Environment and Conservation to improve its management and guardianship of its former pastoral leases, and improve its relationship with its neighbours.

I trust it will add another tool and source of information to the government to address the importance that low levels of sustainability in the pastoralist industry cause. In ending, I would like to thank the committee members for their participation and thank the research officers.