

**LAND AND PUBLIC WORKS LEGISLATION AMENDMENT BILL 2022**

*Introduction and First Reading*

Bill introduced, on motion by **Mr J.N. Carey (Minister for Lands)**, and read a first time.

Explanatory memorandum presented by the minister.

*Second Reading*

**MR J.N. CAREY (Perth — Minister for Lands)** [12.23 pm]: I move —

That the bill be now read a second time.

The Land and Public Works Legislation Amendment Bill 2022 seeks parliamentary approval to introduce a new form of tenure known as a diversification lease to allow for a more diverse range of land uses on the crown land estate, modernise key sections of the Land Administration Act 1997 and the Public Works Act 1902, and make consequential changes to various other acts in order to streamline Western Australia's land project approval system. This will be achieved by removing unnecessary additional administration to create efficiencies and better support high-value capital projects of significance to the state's economy, providing greater flexibility within the state's land tenure framework and addressing certain previous recommendations for pastoral lands reform.

To accommodate the state's transition to net zero greenhouse gas emissions by 2050, and the associated priorities for renewable energy, replacement fuels such as hydrogen and expanded avoidance and/or sequestration of greenhouse gas emissions, the bill also proposes the introduction of a new and more flexible diversification lease. The proposed non-exclusive leasehold tenure will be suitable to accommodate a greater diversity of broadscale uses of crown land within Western Australia. Subject to the prior approval of the Minister for Mines and Petroleum, and any other necessary statutory approvals such as under the commonwealth Native Title Act 1993, the Minister for Lands will be able to grant a diversification lease for any broadscale use of crown land within the state. The minister will have full discretion to tailor fit-for-purpose conditions to apply to these leases, such as rental, lease term and options to renew. A diversification lease will not, however, be able to be converted to freehold.

The government is looking to this new and more flexible leasehold tenure to encourage greater use of currently under-utilised land—through assisting in diversifying the state's economy and facilitating increased investment in pastoralism and other regionally based industries—and unlock greater economic opportunities for Aboriginal people. Diversification leases are expected to be an important component of supporting key government priorities, such as the establishment of a new green hydrogen industry in Western Australia, as well as in greatly expanding the scope for adoption of approved and emerging carbon farming methods on crown land.

Importantly, the diversification lease will not compromise access by other key interest holders such as native title parties and the resources sector. A statutory right of access for Aboriginal people will apply over diversification leases in the same way as it does for pastoral leases. Mining, petroleum and geothermal interests will still be able to be granted over land held under a diversification lease. The bill also includes consequential changes to the Mining Act 1978 and to the Petroleum and Geothermal Energy Resources Act 1967 to ensure that the rights to access the new diversification leases for mining, petroleum or geothermal exploration and operations will essentially be the same as those for a pastoral lease. The government will also progress additional amendments to the Mining Act 1978 in parallel with those contained within this bill to ensure its underpinning policy intent that exploration and mining is still able to occur over areas subject to carbon farming.

The bill includes several additional measures aimed at promoting best management practice and protecting the ecological sustainability of Western Australia's pastoral estate, matters that were previously addressed in some detail by the Auditor General's October 2017 report titled *Management of pastoral lands in Western Australia*. The bill will introduce an ability for the Pastoral Lands Board, in collaboration with the Commissioner of Soil and Land Conservation, to publish formal standards and guidelines that clarify the state's land management expectations for pastoral lessees. Such guidance will assist pastoralists and the Pastoral Lands Board to undertake their respective functions, while also paving the way for the joint development between industry and government of one or more voluntary land administration accreditation systems. The bill will also introduce the ability for the Minister for Lands to approve such systems under which individual pastoral lessees may choose to obtain certification in order to better demonstrate the environmental sustainability of their businesses.

The bill also seeks to deliver on several key aspects of the pastoral land reform initiative, which will offer greater security for the state's pastoral lessees, while simultaneously removing longstanding administrative inefficiencies. This includes an ability for pastoral lessees to extend the term of their leases, as well as a change to the timing for the lodgement of the mandatory annual reports to better align with industry practices. The bill also includes the ability for the Pastoral Lands Board to renew an expiring permit that has been previously issued and transfer an existing permit to an incoming pastoral lessee upon the transfer of the underlying pastoral lease. The Pastoral Lands Board will also have the power to amend, cancel and suspend permits.

Changes to the existing pastoral rent determination methodology and to the scope for the phasing in of rents are also included to assist in reducing the steep rises and falls in the annual rent premiums that occur under the existing framework. This is particularly so when such variations in rent are imposed without forewarning. The changes contained within the bill will double the period after which the Valuer-General is routinely required to make a new market determination of pastoral rent from five to 10 years, with the consumer price index adjustments applying during each of the intervening years. Pastoral lessees will be given six months' notice of all rent variations that will occur. Regulations for the phase in of rent increases will remain possible, with the maximum phase-in period to be extended from three to five years to account for the longer 10-year period between market rent reviews. A new ability for the Minister for Lands to prescribe a class of pastoral leases for rent relief, rather than requiring individual applications, will also extend the utility of the phase-in provisions, whilst avoiding unnecessary administrative overheads.

With appropriate transparency and regard for the need to protect individuals' privacy, the state government also proposes to modernise the circumstances in which information collected under the auspices of the Land Administration Act 1997 can be shared among its entities. As part of the reforms, the bill identifies certain government entities as information-sharing agencies and allows for other public authorities to be prescribed as such. The chief executive officer of the department has responsibility for the administration of the Land Administration Act 1997 and will be obliged to publish the guidelines governing the disclosure of the relevant information between designated staff within sanctioned information-sharing agencies only. The bill will allow for specific regulations to protect the confidentiality of information disclosed under these new arrangements.

Finally, the state government is seeking to modernise the definition of a "public work", as this directly determines the purposes for which land may be taken under part 9 of the Land Administration Act 1997. An update of this definition within the Public Works Act 1902 is long overdue and will remove a number of works that are no longer relevant and include a range of more contemporary public works which are now regularly required by the state but which currently fall outside the definition.

This bill is the result of extensive consultation over multiple years and governments. In late 2021, public briefings were held at the Perth Convention and Exhibition Centre, with over 100 diverse groups from multiple industries attending. The department has also travelled across Western Australia to regional areas to brief and consult with pastoralists, relevant industries and native title groups. A formal point of contact was also established at the department, with over 400 individual inquiries received and individually responded to. This detailed and extensive consultation process has assisted in developing a significant package of legislative reforms to deliver a range of benefits across the state.

I commend the bill to the house.

Debate adjourned, on motion by **Mr R.S. Love**.