



Ms Lauren Mesiti
Committee Clerk
Standing Committee on Public Administration
Legislative Council
Parliament House
PERTH WA 6000

Dear Ms Mesiti

INQUIRY INTO PASTORAL LEASES IN WESTERN AUSTRALIA

Thank you for your letter of 13 August 2013 inviting the Department of Regional Development (DRD) to make a submission into the Standing Committee on Public Administration's inquiry into pastoral leases in Western Australia.

The department recognises the historical, contemporary and potential significance of the pastoral estate and industry to regional Western Australia, as well as the vital importance of diversifying economic activities that occur in the rangelands on pastoral leases.

The Pastoral Lands Board and the Department of Lands are the primary agencies in supporting the Minister for Lands in the administration of the pastoral estate. However, DRD has an active interest in the future of pastoralism, given the sheer scale of this activity in regional Western Australia and the significant economic potential that traditional pastoralism as well as alternative activities (such as irrigated agricultural precincts, tourism and alternative energy production) can bring to regional economies.

Pastoral diversification, particularly for irrigated fodder, can potentially improve the quality and profitability of grazing while improving the overall condition of the rangeland through focussing on precinct development of higher quality feed. Strategic fodder development opportunities can increase the contribution of pastoralism to the Australian economy while potentially reducing its impact on rangeland condition.

As a development agency solely focussed on regional development, DRD supports activities that diversify regional economies, including those in the rangelands. To that end, the department has established a new Development and Diversification Division, which will focus on identifying, designing and delivering transformational projects that will diversify regional economies.

Working with other partner agencies, the division will increasingly be delivering transformational projects, such as the establishment of agricultural precincts on Crown land (including the pastoral estate) that will begin to capitalise on abundant water resources and fertile soils in areas that are close to growing markets. This builds on the success of the department's activity in delivering the Ord East Kimberley expansion project.

The department also has an active interest in Aboriginal economic development and is represented on the Directors General Aboriginal Affairs Coordinating Committee. The department will be increasingly active in supporting Aboriginal economic development activity across the department and focussing on what more Royalties for Regions funded projects can do to support this vital role.

In that context, and in advance of the 2015 lease renewal process, the department is interested in seeing what more might be done to support Aboriginal held pastoral leases in exploring future tenure or business models that may allow them to be better contribute to regional economic development. For example, there is considerable potential, particularly in the Kimberley and Pilbara regions, for Aboriginal pastoralists (and pastoralists more generally) to benefit from diversified activities on pastoral leases, such as agricultural precincts and to contribute to emerging supply chain opportunities.

I would value an opportunity to appear before the committee and discuss the activity of the department in the context of this inquiry.

Further information can be provided by Mr Mike Rowe, A/Executive Director, Development and Diversification. Mr Rowe can be contacted on 6552 1888 or michael.rowe@drd.wa.gov.au.

Yours sincerely



PP Paul Rosair
DIRECTOR GENERAL

13 September 2013