

Submission to Tenure Inquiry

1 What leases have you had experience with?

Term Leases over state forest, Grazing Homestead Perpetual Lease

2 How has tenure and associated policy affected your management of these tenures?

Over the past 12 months I have renegotiated a term lease on state forest and I could only get 13 years; taking it to 2025. This year seems to be an important one. Everyone I have spoken to in regard to this matter seem to have had their leases expire around this time when they have renewed them.

The last 12 years or so I have on two separate occasions applied for the up-grade of certain sections of state forest lease.

The first section was an application to up-grade to freehold an area of better quality natural grazing country (about 300 hectares) that had been cleared a number of times over the years (under statutory guidelines of the lease terms at the time i.e. no clearing, no lease) and had little to no vegetation on it. The area that I requested was pretty much already fenced and I had taken GPS points around the entire boundary to define the area that we had under review. I had taken DNR officers out to inspect it and they had no problem with the proposal. We had no issue with having to pay for any timber that was deemed to be there at market value. The block adjoins a main road so access was no issue and contains a good set of cattle yards that were of no interest to DNR officers but were of high interest to us. We owned other freehold land on the opposite side of the main road in which to amalgamate the block with to make a decent area available for council planning purposes. However the only official answer that I received out of two years negotiation with the department was a possibility that they 'could' offer us a 30 year lease over that area but more likely a 15 year one would be issued (we already had a 20 year lease!). I can only assume that native title would have been the real problem but we were never told. I subsequently lost interest in the matter.

The second section that I applied for was to up-grade .625 of a hectare containing a flowing artesian water bore that was on state forest term lease land and was less than one hundred metres from our Grazing Homestead Perpetual Lease boundary. I wished to have the bore amalgamated onto our Perpetual Lease land to allow for more security over our bore. Again I had inspections done by DNR people and the process progressed well, all the way to the floor of state parliament where it was passed. Then, however it went to native title tribunal and never progressed any further. I have had native title claimants inspect the area and they were positive toward the process. Now we have an extremely small parcel of land in the middle of no-where that we have to apply for each year for a 'Permit To Occupy' as it has become unallocated land that does no longer belong to the state forest or the perpetual lease. **Can I point out the areas involved?? The state forest lease is about 6300**

hectares and the perpetual lease is 12100 hectares and the bore site is .625 of one hectare and is also about 12km from the nearest main road.

3 How would you have changed the tenure/policy noted in 2 to get a better outcome?

There should be better recognition from the department that the lessees are doing a great job at their expense to manage these areas for the government. In the way of management of the leases there should be more options for fire, fencing, waters etc. equating to a better recognition of the lease document and its entitlements by departmental staff. The lessees are doing the government a service for managing these areas at their own cost.

4 Do you agree that government should prohibit corporations from holding perpetual leases?

Yes

5 Do you agree with the additional areas policy?

Yes

6 Do you agree with the living areas policy - is it still relevant?

Yes I have mentioned this in my points below

7 If all leases were to undergo an upgrade to freehold do you believe a policy needs to be put in place to protect against further subdivision?

Possibly, I know in our shire, Central Highlands Regional Council here no subdivisions can happen in rural areas less than 1,000 hectares. I think it would vary from shire to shire but again probably **should be dealt with on a case by case basis** as I am sure property owners have different reasons for wanting to sub-divide should they wish to.

8 Other Specific Comments

I think one of the most important issues in all of this process is to eliminate or cut down on the amount of red tape that lessees have to conform with. It is both time consuming and costly.

STATE FOREST LEASES

1. State Forest Leases to be minimum 30-50 year term to provide for equity in borrowings for lease owners and security of tenure. Giving them a 'feeling of ownership'. This will also allow for inter-generational change and better management and more sustainable outcomes.
2. If there is still a need for ILUA's then they should be done in a way that does not pro-long red tape and allow for the intervention of lawyers as this does not help the process but

hinders it greatly both financially and time elapsed taken to sort out the issues related to each lease.

3. A Recognition that most forest leases were at some point in time part of an original property as a whole making that property a viable business or in the old terms 'a living area'. At the moment these leases are not saleable at all but they are a valuable part of a property as an entirety to make it a viable business proposition.
4. An important issue is the 'green' push to enable State Forest areas to become National Parks is both too simplistic and non-equitable. The people that operate state forest leases manage these areas at their own cost and also pay a rising rent payment each year. The department, I am sure would be unable to find the financial resources to manage these vast additional areas.
5. There are many positives and very few negatives in the argument over cattle grazing on state forests. Regular controlled burns by landholders reduce the risk of wildfires, regular driving in and around these areas allow for inspections of new weed outbreaks and subsequent control of them. Feral animals including horses, donkeys, cattle, dogs, pigs, foxes, cats and rabbits are all controlled at the lease owners' expense and they are more than willing to do so.

PASTORAL HOLDINGS AND PASTORAL LEASES

6. In regard to the freeholding of perpetual leases, pastoral holdings and pastoral leases, I believe it should be done on a case by case basis and if the current lease owner is unwilling to up-grade or unable to afford to do so then options should be there for those situations.
7. If there is the notion that an up-grade from a pastoral lease or holding to freehold won't extinguish native title then I think there will be a lot of people with concerns about the certainty strength of their free-hold title security as they go forward.
8. There should be a certain amount of extra security for Vegetation management issues. They should be able to have a greater deal of security over their trees and what they can or can't do with them.
9. Whatever the Freehold pay figure to be on a lease I feel that the instalment each year to be in line with their yearly rent as in my opinion would make it as equitable as possible.
10. In the process of up-grading Pastoral Holdings and Perpetual leases should be regarded on equal terms thereby giving more people the opportunity to up-grade if they wish to.
11. If there is a failure in the process going forward that prevents pastoral holdings to be up-graded to freehold then they should alternatively to be able to be up-graded to perpetual leases at the very least.
12. A feeling of confidence given back to the landholder that if they are doing the right thing according to their lease agreement then they should not feel threatened or intimidated into whether or not the lease should be re-issued or not.

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