

16th April 2010

Dr Loraine Abernethie
The Principal Research Officer
Economics and Industry Standing Committee
Legislative Assembly
Parliament House
PERTH WA 6000

By email laeisc@parliament.wa.gov.au

Dear Dr Abernethie,

**Inquiry into the Department of Environment and Conservation's Management of Former
Pastoral Leases**

The Association of Mining and Exploration Companies (AMEC) is the peak industry body for mineral exploration and mining companies within Australia.

AMEC's strategic objective is to secure an environment that fosters mineral exploration and mining in Australia in a commercially, politically, socially and environmentally responsible manner.

It is in this context that AMEC provides the following comments relating to the Inquiry.

AMEC welcomes the Inquiry, and anticipates that it will conclude that the Department of Environment and Conservation (DEC) has been, at least, partially deficient in the four areas under review.

Such a conclusion would strengthen the case that simply adding pastoral leases to the conservation estate without prior

- robust and quantifiable scientific and environmental evidence;
- adequate resourcing; and
- efficient and effective management plans,

will not achieve any benefit whatsoever.

In the event that sound scientific data does not exist (and that appears to be the case in numerous pastoral lease acquisitions over the past few years), there is no apparent justification or reason to purchase pastoral leases.

With specific reference to the 4th Term of Reference – '*consideration of the economic potential of non-pastoral uses for this land*', AMEC is of the view that the addition of pastoral leases to the conservation estate can only result in a negative economic impact due to the:

- extinguishment of the pastoral use/benefit;
- the disincentive, and possible exclusion, of mining and mineral exploration;
- the potential loss of future royalty income; and
- the potential loss of associated social benefits in regional and remote areas of Western Australia.

AMEC considers that these negatives are unlikely to be countered by any tourism (or any other) economic benefit.

AMEC is also of the strong view that the recent purchase of pastoral leases has been made in an 'ad hoc' and opportunistic manner, and not through a strategic and considered approach.

AMEC has therefore recently corresponded with the Minister for Mines and Petroleum; the Minister for Environment; and the Premier indicating the clear need for the Government to articulate a strategic resource development policy position relating to environmental protection and biodiversity conservation.

Development of such a strategic policy (including the purchase, and future access to pastoral leases for mining and mineral exploration activities) would provide the resources sector with increased clarity and certainty for investment and project decision making.

Please do not hesitate to contact our office should you wish clarification on any issues raised in this correspondence.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Simon Bennison', with a stylized flourish at the end.

Simon Bennison
Chief Executive Officer