

## **DUNKELD PASTORAL COMPANY PTY.LTD., KIMBERLEY**

4<sup>th</sup> March, 2010.

### **SUBMISSION TO THE SENATE INQUIRY INTO NATIVE VEGETATION LAWS, GREEN HOUSE GAS ABATEMENT AND CLIMATE CHANGE MEASURES.**

Contrary to many in the agricultural/pastoral industry, Dunkeld Pastoral Company Pty Ltd does not *necessarily* see the introduction of a CPRS as a threat to the viability of its business.

In fact, provided that such a scheme is implemented in an appropriate way, such that agriculture is excluded and landholders are able to provide offsets generated on their properties, we see opportunities for both economic and environmental benefits.

This is particularly relevant on our Kimberley properties, where traditional pastoral business has become less and less viable in recent years, and consequently alternative economic opportunities offered by an expanded and properly regulated carbon market are very welcome.

Dunkeld Pastoral Company owns two pastoral leases in the remote north Kimberley with a total area of 610,000ha. The properties are very isolated, unfenced and the stock unmanaged. Due to monsoonal rains the properties are inaccessible by road for several months of the year and mustering through this rugged country is extremely difficult and costly. Transporting stock to market is also problematic as the condition of our access road is poor even at the best times. For the last few years we have been unable to get commercial road train companies to come up the road at all. Cattle transported in these conditions are subject to long trips on very rough roads, in hot and dusty conditions.

Due to the difficulties in running and managing cattle in these conditions we are interested in diversification on our properties. In particular we are looking at carbon trading through savannah burning and also the possibility of reducing stock numbers, thereby reducing emissions.

In rough figures we think that running a fire abatement project for the purposes of carbon trading on our Kimberley leases would cost approximately \$100,000-120,000 per year. It would result in approximately 33,000 tonnes of CO<sub>2</sub>-equivalent being saved.

The two stations have a combined carrying capacity of 16,502 head. Estimates for emissions from cattle in Australia's tropical savannahs are 1.31t CO<sub>2</sub>-equivalent per head per year. Therefore the pastoral leases effectively give us a license to emit 21,617 tonnes of CO<sub>2</sub>-equivalent per year. By reducing the stocking rate of the properties we would be reducing carbon emissions, and hope that we would be able to sell offsets from this.

There are two major blocks to the development of this new industry in the north Kimberley.

The first is the narrow range of activities permitted on pastoral leases. At this stage we would not be able to engage in these activities. We have recently submitted a proposal to the WA government, highlighting the opportunities available to leaseholders in our region from carbon trading and requesting that they revise the conditions of pastoral leases. It is worth noting here recommendation 8 from the Northern Australian Land and Water Task Force Final Report, released in December 2009, which supports the notion that diversification is needed to ensure the sustainable management of land in northern Australia.

***Recommendation 8: Australian governments should adapt and harmonise pastoral lease conditions (including on Indigenous land) across northern Australia to allow greater diversification and flexibility in land use, subject to compliance with the principles of ecologically sustainable development, the objectives of the National Water Initiative and the ongoing coexistence of native title rights.***

The second impediment to the development of these sustainable industries in our region is the lack of a clearly defined, regulated carbon trading system in this country. If landholders are to be encouraged to act in an environmentally sustainable way then the incentives must be provided. A properly administered CPRS provides this incentive that provides measurement methodologies and accreditation of offsets. The results of this will not only provide reductions in carbon emissions but other diverse environmental benefits, such as avoided deforestation, better fire management and reduced grazing pressure. We must provide the opportunities for alternative industries to develop if we are to have meaningful change in the management of our natural resources.

Dunkeld Pastoral Company welcomes the opportunity to put this submission to the Senate Inquiry. We hope that a positive outcome for diversification and economically sustainable development on our Kimberley pastoral properties, and other properties across Australia, can be achieved, whilst implementing a sound CPRS scheme which will result in a multiple environmental benefitsd

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