

# the PASTORAL INDUSTRY SNAPSHOT

## Welcome from Chairperson Tim Shackleton



I am pleased to present the latest annual pastoral industry snapshot – a representation of the issues, trends and challenges that affect our industry based on direct feedback from pastoralists.

Each year, pastoral lessees submit an annual return on stock numbers, pastoral improvements and diversification permits to the Pastoral Lands Board (PLB). At the same time, an optional survey aims to gain a view of the state of the industry from those directly involved in it. In 2020, completed

surveys were received from 341 pastoral stations, an impressive response rate of 74 per cent. My thanks to all who took the time to respond.

This snapshot builds on the information captured since 2013, giving seven years of data which continues to be a vital tool in building on our understanding of the pastoral industry in Western Australia.

Overall the responses are the most positive received by the PLB since 2016. The main reasons behind this positive sentiment are good seasonal and market conditions, including persistently high livestock prices. It is a testament to the resilience of pastoralists that these results were received during a global pandemic.

However, there are significant regional differences: the sentiments of respondents in the Kimberley and Pilbara were overwhelmingly positive, whilst respondents in the Goldfields- Nullabor, Carnarvon-Gascoyne and Murchison regions were more mixed. These different responses reflect variations in seasonal conditions between parts of the State, and the fact that many pastoral lessees in the south of the State are moving towards diversified business models.

Our role at the PLB is to administer Western Australia's pastoral estate and advise the Government on strategies both to protect its unique ecology and unlock its great economic potential. The PLB is committed to working in

partnership with pastoralists with this shared vision of an ecological and economically healthy pastoral industry.

In November this year, the Minister for Lands announced proposed changes to Western Australia's Land Administration Act to introduce a new, more flexible form of land tenure. The proposed amendments include aspects that the PLB has previously stressed the importance of, for the improvement of sustainable land management and opportunities for economic development.

The PLB continues to engage with the Minister for Lands and the Department of Planning, Lands and Heritage, and stakeholders in relation to these proposed changes. For more information please visit [here](#).

The PLB is working to improve transparency around the decisions it takes, while at the same time making sure the PLB's expectations are clear for pastoralists. Our large policy agenda is reviewed regularly with the aim of providing ongoing advice. In the past year the PLB has published:

- **Pastoral Lease Stocking Policy**, which allows for five years of destocking on a pastoral lease where land condition and seasonal factors require it, and a process to allow for a graduated restocking as land capacity is regenerated.

- **Viability and Sustainability of New Standalone Pastoral Leases Policy** – this policy explains how the Board arrives at a position to either support a new lease or not, based on a range of factors, including land systems and pastures, and the number of stock those land systems could support.
- A revised **Rangeland Management Compliance Policy**, which highlights the Board's intent to work with the lessee, rather than punitive measures in the first instance, in order to ensure the best possible outcome for all parties.
- **Cultivation of Non-Indigenous Plant Species on Pastoral leases** – establishing a policy, in conjunction with approvals agencies like Department of Primary Industries and Regional Development, Department of Biodiversity, Conservation and Attractions, and Department of Water and Environmental Regulation, that provides for smoother and faster approvals processes for the cultivation and use of non-indigenous plant species for fodder.
- **Development Plan and Management Plan Guidelines** – provides information on what development plans and management plans are, and why you might need one. The PLB recommends everyone have a management plan but outlines the circumstances in which the PLB might require a pastoral lessee to provide one. This guideline also includes a template, which includes information the PLB typically would require in a development plan or management plan.

All of the PLB policies and guidelines are available [here](#).

The pastoral industry snapshot is intended to be an overview and an update of our industry. A great deal more information was supplied and the comments, input and feedback are all gratefully received, reviewed and noted by the PLB.

We thank you all for your ongoing engagement and cooperation, and look forward to working together on the long-term future of our industry.

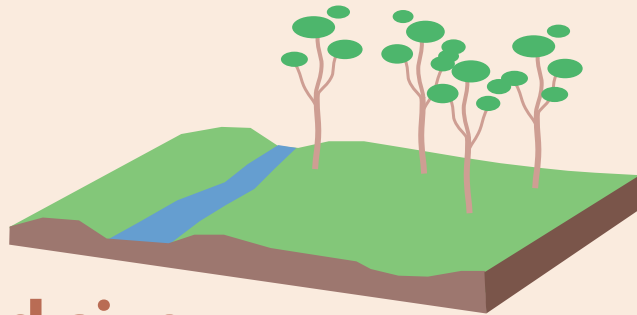
A handwritten signature in blue ink, appearing to read 'T. Shackleton', is written over a large, hand-drawn oval shape that serves as a placeholder for a stamp or logo.

Tim Shackleton  
**PLB Chairperson**

December 2021

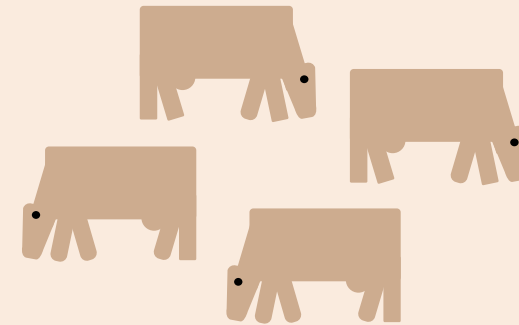
# FAST FACTS

2020 response rate – **79%** which came from **341 stations**



## Land size

- **434 pastoral stations** in Western Australia
- **861,300 square kms**
- **34.1%** – more than a third of the state's total land area
- Average size of a pastoral station is around **2,000 square kms**
- Stations vary from just **58 square kms** to **5,950 square kms**



## Stock

Beef production accounts for the bulk of pastoral production in WA and was estimated to be worth more than **\$850 million** in 2016. While sheep numbers have declined dramatically since the 1990s, there were some **187,300 head of sheep** and **22,700 goats** on stations in 2019, all in the southern rangelands.

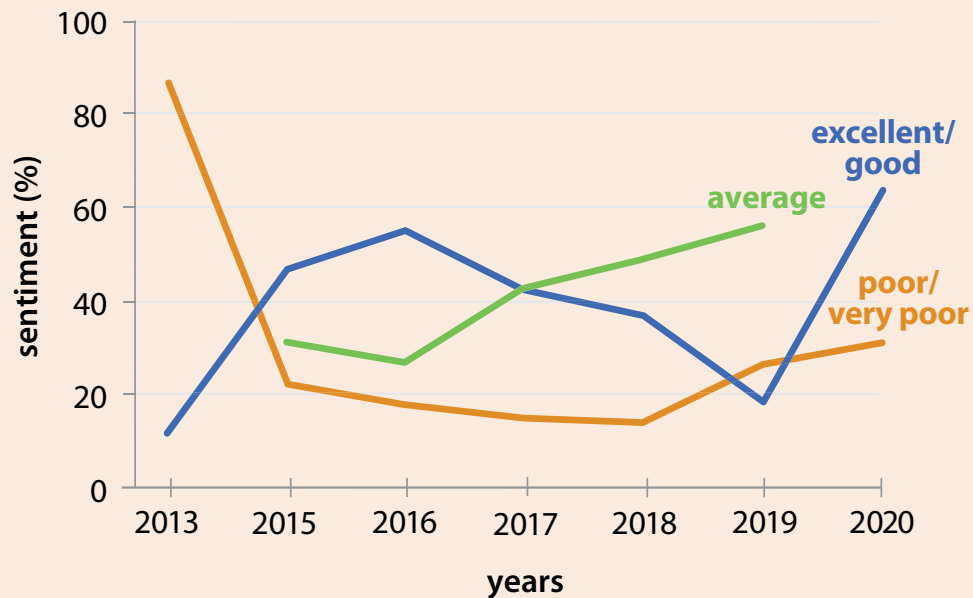
- **Approx 1.17 million head of cattle** on WA pastoral stations (excluding unmanaged stock), comprising about half of the State's total herd
- **54.6%** in the Kimberley
- **20%** in the Pilbara
- **25.4%** in the southern rangelands

# Economic state of the pastoral industry in Western Australia

Respondents were asked about the perceived economic state of the pastoral industry in WA.

The 2020 results saw those respondents reporting the industry to be **excellent** or **good** rising to 64 per cent, an increase of 46 per cent from 2019. These positive results are the highest received since 2016.

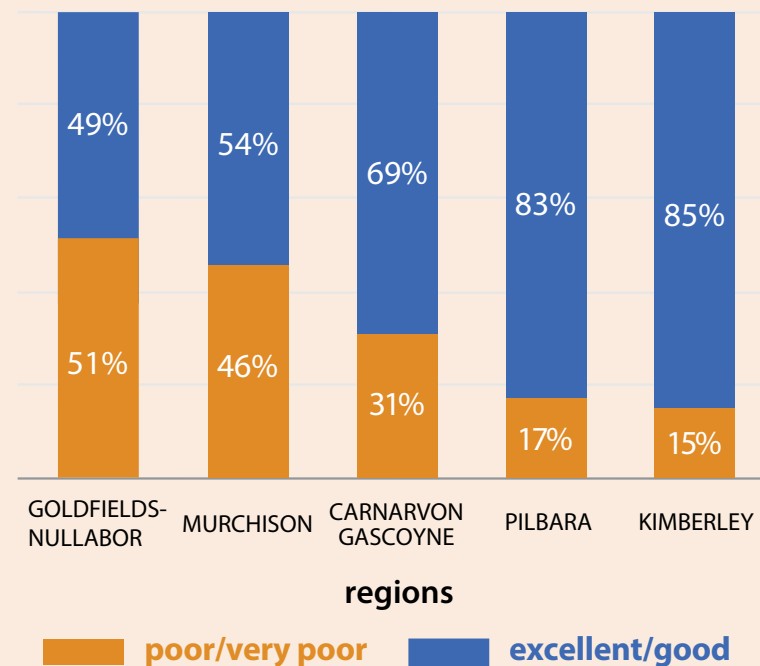
The previous low results can be attributed to the exceptionally dry seasonal conditions which alleviated during 2020. Those respondents who gauged the economic state to be poor or very poor rose slightly from 26 per cent in 2019 to 31 per cent in 2020.



Economic state of the pastoral industry in Western Australia – 2020 Responses by Region

When looking deeper in to these results, the majority of **opposing responses** have been received from the **Murchison** and **Goldfields-Nullarbor** regions, with the results split by almost half between positive and negative for these regions.

The **Carnarvon-Gascoyne**, **Pilbara** and **Kimberley** regions recorded largely **positive responses**. For Kimberley and Pilbara this is not surprising given the higher economic viability of leases.



# Factors affecting the industry

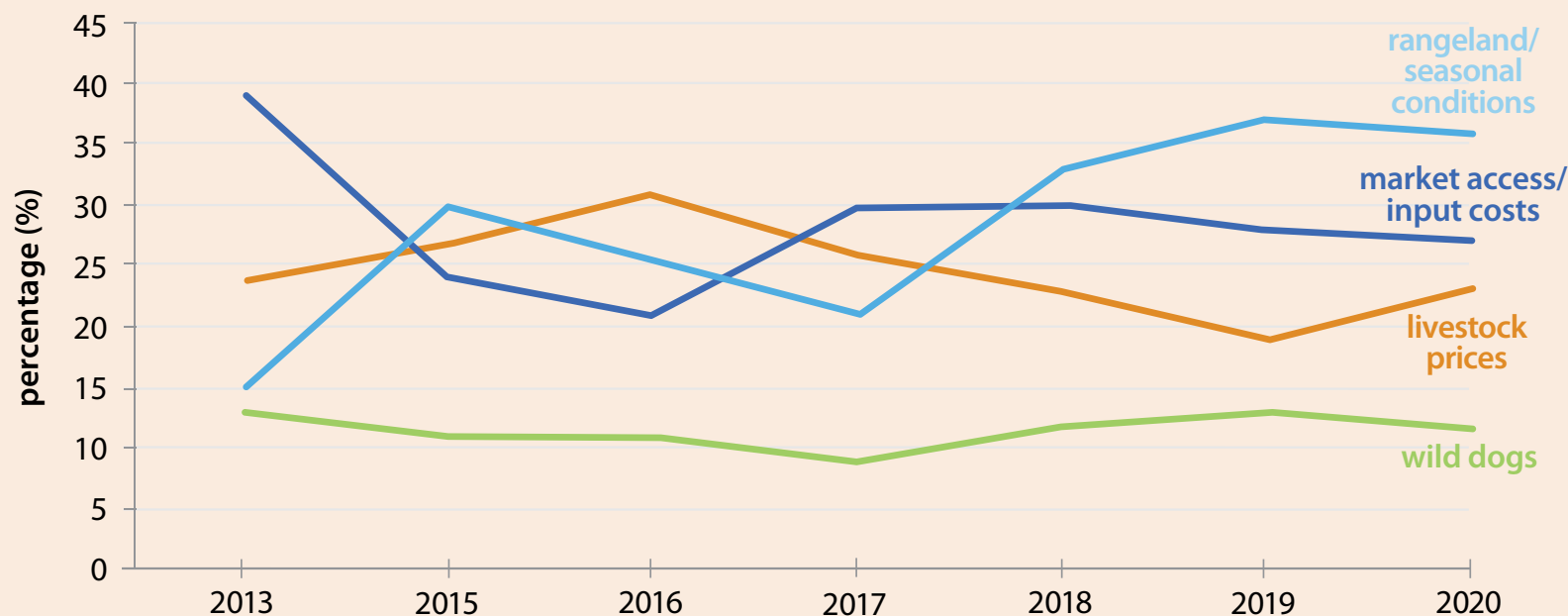
Respondents were asked to rank the factors that affected their answer to the previous question about the economic state of the pastoral industry.

**Rangeland and seasonal conditions** continue as the key factor affecting the state of the pastoral industry for most pastoralists. Even with the change in perception of the economic state of the industry previously mentioned, 36 per cent of respondents still nominated this as the most influential factor.

**Market access/input costs** continued to decline in perceived importance in 2020, with only 27 per cent of respondents nominating them as a factor. These results follow a trend of decline that started in 2018, down from the previous peak attributed to the 2011 live cattle export ban to Indonesia and its subsequent repeal.

**Livestock prices** declined in importance in the surveys received from 2016-2019, but in 2020 there was an increase of 4 per cent of respondents citing its importance as a factor impacting the pastoral industry. This does correlate to the responses relating to the economic state of the industry.

**Wild dogs** have been identified as a contributing factor to the state of the industry by 9 to 13 per cent of respondents since 2013. Of respondents rating this as the most important factor influencing the economic state of the pastoral industry, 90 per cent were located in the Murchison and Goldfields-Nullarbor regions in 2020, a 19 per cent increase from 2019.



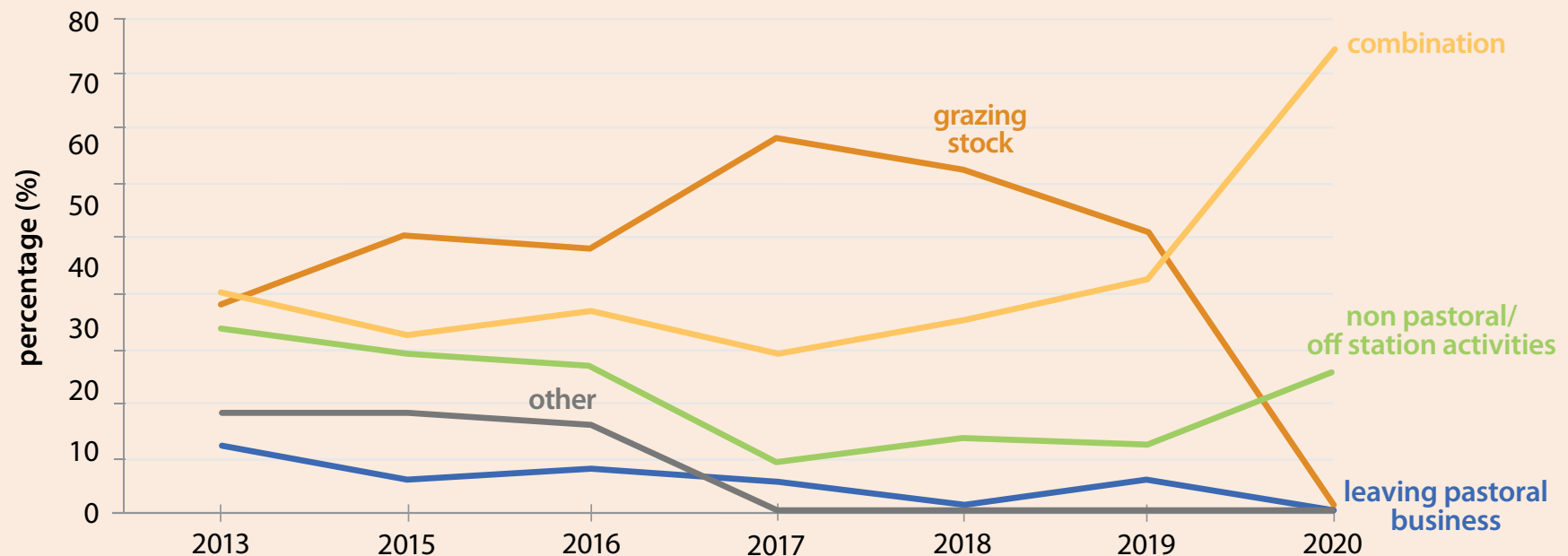
# Economic/business viability

Respondents were asked to think about the future of their pastoral business over the next five to 10 years and indicate what they thought was the most profitable way of securing an income. Options included:

- grazing stock
- other permitted activities including agriculture, horticulture, tourism, carbon farming
- leaving pastoral business
- non-pastoral /off station activities
- combination of activities.

Respondents were asked to select as many as they wanted from five options, to describe how they thought they would best secure the viability of their pastoral business over the next 5 to 10 years. The results were analysed by popularity of total responses.

In 2020 only one lessee responded that that they believed the future way to secure viability on the pastoral lease was through grazing stock, a significant decrease from previous years. Those who believe a combination of activities is the best way to secure their business continues to grow as with the highest response rate. In 2020, 76 per cent of respondents cited this as their future income generator for the lease. 2020 also saw a rise of 12 per cent of those lessees who believe they need to rely solely on off-station activities as a form of income, although this does remain low at 23 per cent.



# Remaining in the pastoral industry

**Respondents were asked whether they believed they would still be in the pastoral industry in five years.**

Positive responses to this question remain consistently high at 73 per cent in 2020.

The proportion of people who were unsure if they would remain in the pastoral industry has remained steady, with 21 per cent responding this way in 2020.

Those indicating that they were likely to leave the pastoral industry remains consistently low, with the same number of responses in both 2019 and 2020.

With most pastoral lessees indicating their intention to remain, the PLB is confident in the viability and future of Western Australia's pastoral industry.

