

Sustainability, Environment, Water, Population and Communities

(Question No. 915)

Senator Johnston asked the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities, upon notice, on 17 August 2011:

- (1) What was the total government contribution toward the purchase of Henbury Station in the Northern Territory by RM Williams Agricultural Holdings.
- (2) Who holds the title to this property after the sale.
- (3) Will the Government receive any financial return derived from future activities or enterprises operated on Henbury Station.
- (4) What taxpayer benefits does the Government expect to deliver through this investment.
- (5) Given that official statements by the Government refer to Henbury Station as a former pastoral property, has the land tenure changed from a perpetual pastoral lease; if not, is it the intention to change the land tenure.
- (6) If the land use and therefore land tenure is changed what are the Native Title implications.
- (7) Will this type of government assistance/investment be made available to other pastoral enterprises, particularly smaller private operators in the Northern Territory, considering that it has indicated that Henbury Station is a pilot project that could lead to other farms also being included in the program.
- (8) Can a detailed assessment be provided of the environmental benefits to be gained from removing cattle from the property, given that the department already states that 70 per cent of the property largely remains in its natural condition at present.
- (9) Can a copy be provided of the modelling which demonstrates how the project will achieve the company plan to sequester up to 1.5 million tonnes of carbon dioxide emissions per year for the next 10 to 15 years.
- (10) Does the Government intend funding further baseline audits to allow other organisations to develop similar proposals for their businesses.
- (11) Will the value of non Kyoto compliant carbon credits be subsidised by the Government as they currently have little to no value, and what will this cost be in future years.
- (12) (a) what social and economic impact assessment did the Government undertake to establish the likely impacts on profitability of the remainder of the beef industry in that region and the impact of taking a significant food production property out of production and can that research be provided; and (b) what impacts will this have on the provision of services and infrastructure (given a very significant part of the industry no longer exists) leaving those still operating to bear a proportionately higher cost of service industry overheads and can any research be provided.
- (13) Did the Government conduct any research into what impacts this contraction of local industry may have on the capital value of the other properties in the Alice Springs region, given that profitability will reduce and that reduced social strength will make the region less attractive to investment by traditional food producers; if so, can that research be provided.

Senator Conroy: The Minister for Sustainability, Environment, Water, Population and Communities has provided the following answer to the honourable senator's question:

- (1) The Australian Government provided \$9,195,667 (GST exclusive) from the Natural Heritage Trust Special Account (Caring for our Country) to R.M. Williams Agricultural Co. Landscape Management Pty Ltd to support the purchase of Henbury Station.
- (2) R.M. Williams Agricultural Co. Landscape Management Pty Ltd.
- (3) The Australian Government will not receive any financial return derived from future activities or enterprises operated on Henbury Station.
- (4) The tax payer benefit to be delivered by this investment is the restoration of more than 500,000 hectares of land in central Australia and the in-perpetuity protection and ongoing conservation management of the environmental and cultural values of Henbury as part of the Australia's National Reserve System.

The Henbury Conservation Project will also act as a large demonstration project testing the potential to store carbon in Australia's rangelands while improving biodiversity and creating an alternative income stream for land holders from the carbon credits generated. The results of the project will be made available to others as part of the "learning by doing" approach for this project.

- (5) Henbury Station is currently a perpetual pastoral lease. RM Williams Agricultural Co. Landscape Management Pty Ltd has committed to seeking a change of land tenure from the Northern Territory Government consistent with the in-perpetuity management of Henbury for conservation.
- (6) A change of land use or tenure where Native Title exists may have implications under the Native Title Act. R.M. Williams Agricultural Co. Landscape Management Pty Ltd will need to consider any Native Title implications arising from the project and would, if required, need to enter into an Indigenous Land Use Agreement for the property.
- (7) Any proposals seeking funding support for similar projects through the National Reserve System program would need to involve land in a priority area for building the National Reserve System and Monday, 31 October 2011
meet the relevant National Reserve System criteria including commitments to the in-perpetuity protection and conservation management of the land.
- (8) Detailed assessment of the environmental, social and economic benefits will be a key component of this pilot project. These assessments, as well as other relevant information, will be made publicly available over the life of the project so that other land holders may consider a similar approach to developing an alternate income stream.
- (9) The Henbury Conservation Project aims to demonstrate that significant carbon can be sequestered through managing land for nature conservation. An important feature of this project is that information on the project methodologies will be made publicly available over the life of the project so that other land holders may consider a similar approach to developing an alternate income stream.
- (10) The cost of baseline audits for the Henbury Conservation Project are being funded by R.M. Williams Agricultural Co. Landscape Management Pty Ltd.

(11)The Henbury Conservation Project recognises that the non-Kyoto compliant carbon credits have an existing value and may be traded under mechanisms such as the international voluntary carbon market.

(12)Henbury was on the open market for nearly two years before its purchase by R M Williams Agricultural Co Landscape Management Pty Ltd for conservation and carbon sequestration and to explore new economic and social opportunities in Central Australia. The ongoing management of the Henbury Conservation Project will offer opportunities for local service providers to supply and support the project, as well as potentially providing direct employment opportunities for local people including local Indigenous people.

(13)The property was purchased on the open market by a company specifically focussed on exploring new economic opportunities from emerging markets. The ongoing management of the Henbury Conservation Project will offer opportunities for local service providers to supply and support the project, as well as potentially providing direct employment opportunities for local people including local Indigenous people.