

# Private member's bill proposes veto power of WA private landowners - poses a risk to future petroleum developments

11 September 2018

3 min. read

Worthwhile read for: Landholder, Mining Officer, Petroleum Manager, Environmental Officer  
[resources energy and projects](#) / [Petroleum](#) / [geothermal](#) / [private land owners](#) / [resources and energy](#) / [landholder consent](#)

## Key issues

- The private member's bill seeks to provide all landholders power to veto petroleum and geothermal activities
- The power of veto will extend to all landholders regardless of land size
- Petroleum companies should be mindful of the changes, and note the impact these amendments could have on future developments

With the investment cycle on the State's off-shore natural gas assets having peaked, developers are looking on-shore to explore and recover petroleum resources.

A recently introduced private member's bill, called the *Petroleum and Geothermal Energy Resources Amendment (Veto Powers) Bill 2017 (Bill)* seeks to amend the *Petroleum and Geothermal Energy Resources Act 1967 (WA) (PGER Act)* to give private landholders the power to veto petroleum and geothermal permitted activities. This would apply as long as the land is in bona fide and regular use for agricultural or horticultural purposes, or for use as a garden, orchard, plant nursery, plantation, stockyard, vineyard, or yard.

Currently, section 16 of the PGER Act requires petroleum title holders to obtain the consent of private land owners with land not exceeding 2000 square metres. As such, access to private land exceeding this area cannot be refused by the owner, but requires the petroleum companies to negotiate a compensation package that is suitable to the owner for being deprived of the land and for any damage caused. The Bill proposes to extend the application of section 16 of the PGER Act to require the consent of owners of private land of any size that is used for agricultural or horticultural purposes before access is authorised. This essentially gives all private land owners (and essentially is aimed at an extension of veto powers to broadacre farming interests) the power to veto access to their land that is subject to petroleum and geothermal permit activities.

Although the Bill is still in the early stages of parliamentary consideration and may ultimately not come to pass, petroleum companies should be mindful of the potential impact the amendments could have on future development. Onshore petroleum proponents will need to give consideration to the time and cost of negotiation with private landholders in the area of any proposed onshore petroleum operations.

In some instances, landholder consent may be a hurdle that can only be overcome by buying the land instead of providing compensation; which may be a risk some smaller petroleum companies will not want to take on. Nevertheless, while we consider most private land owners will be willing to provide the requisite consent, the Bill would undoubtedly tip the balance in favour of farmers when negotiating the quantum of compensation, resulting in higher compensation payments.

For more information or discussion, please contact our [Resources and Energy](#) team.

11 September 2018

[resources energy and projects](#) / [Petroleum](#) / [geothermal](#) / [private land owners](#) / [resources and energy](#) / [landholder consent](#)

[Previous article](#) [Next article](#)