

Operational policy

SLM/2013/575

Version 3.00

5 September 2019

Diversification of leases for agricultural purposes

Purpose

This operational policy outlines considerations that are required when considering approvals for diversified activities on an agricultural lease¹ under the *Land Act 1994* (Land Act).²

Rationale

A lease can only be used for the purpose for which it was granted. Over time lessees are requesting to use agricultural leases for diversified activities complementary to the purpose of agriculture. This can assist with the economic viability and sustainable use of lease holdings.

If the diversified activities proposed are not primary production activities already permitted under the agricultural lease, consideration is required as to whether the activities are covered by this operational policy. This may require a lessee to apply to use their lease for an additional purpose.

Policy

1. This operational policy only applies to leases that permit agricultural activities. (For more detail, see the associated Guideline, referenced below.)
2. When seeking to undertake an additional activity on an agricultural lease, the lessee must demonstrate that the new activity is complementary to, and does not interfere with, the agricultural purpose for which the lease was originally issued.
3. For an additional activity to be complementary:
 - a. it must have a positive material effect on the primary original purpose. For example, it could contribute to the economic viability and/or ecological sustainability of the agricultural purpose of the lease; and
 - b. any generation of additional funds from a complementary activity must be used to support the primary original purpose; and
 - c. it must be of sufficiently small scale to ensure that it does not become the dominant or principal activity; and
 - d. it does not necessarily need to be related to agriculture; and
 - e. it should not interfere with the State's rights in regard to vegetation and quarry materials under the *Forestry Act 1959*; and

¹ Refer to description in corresponding Guideline

² It does not include additional uses that relate to the production of energy from a renewable source.

- f. To limit the risk of a complementary activity becoming an entity in its own right, the original lease may be subject to new imposed conditions of lease³.
4. Diversification of leases is not to be used to support incremental progression of additional complementary uses to the point where such additional use becomes the dominant use.
5. Sub-leasing of an area associated with the additional complementary use is generally not supported to limit the risk of an additional use becoming a business entity in its own right (i.e. an activity being operated and managed in isolation from the balance of the lease) and therefore not “complementary to” the lease purpose.
6. Additional complementary activities may include activities such as low key tourism, documentaries and film making, vocational training in pastoral activities and nature conservation.
7. Multiple additional complementary activities may be supported by the department, where it can be demonstrated that they require low capital investment and have a low environmental impact.

Legislation

Land Act 1994 (Land Act) - section 154, Minister may approve additional purpose.

Land Act, section 210 – Changing and reviewing imposed conditions of a lease, licence or permit by agreement.

Land Act, section 334 – Subleasing is totally prohibited.

Related documents

Guideline - Diversification of leases for agricultural purposes (SLM/2017/3856)

Operational Policy – Additional purpose of a lease (PUX/901/333 = SLM/2013/425)

Approval

Position	Name	Date
Executive Director, Land and Native Title Services	Graham Nicholas	5 Sept 2019

Version history

Version	Effective Date	Comments
1	17/12/2004	Replaces PUX/901/336
2	24/12/2007	Updated to reflect Land Act amendments
3.00	5/9/2019	Updated for structure, clarity, accuracy and legal judgements; new template; new associated Guideline.

³ Section 210 of the Land Act provides for a change in imposed conditions of a lease; and s.334 provides for precluding future subleasing of an area e.g. the area used for the complementary activity in isolation from the balance of the lease.

Further information

- Contact your nearest business centre (https://www.dnrme.qld.gov.au/?contact=state_land), or
- Refer to <https://www.qld.gov.au/environment/land/state>, or
- Call 13 QGOV (13 74 68).

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