

NEW SOUTH WALES

MINISTER FOR AGRICULTURE AND FISHERIES

February 24, 2003

Mr. Steven Reynolds
Director
General Purpose Standing Committees
Parliament of New South Wales
Macquarie Street
SYDNEY 2000

Dear Mr. Reynolds

I refer to my appearance before the General Purpose Standing Committee No. 5 on Friday, February 20, 2004 and the questions on notice from the Estimates Supplementary Hearing.

I am pleased to provide the answers to those questions in paper and electronic format as requested.

Yours sincerely

A handwritten signature in black ink, reading "Ian Macdonald".

**IAN MACDONALD MLC
NSW MINISTER FOR AGRICULTURE AND FISHERIES**

.20 February 2004
(General Purpose Standing Committee No. 5)

Portfolio
Agriculture and Fisheries

QUESTIONS TAKEN ON NOTICE DURING THE SUPPLEMENTARY HEARING

1. Mr Gay asked Dr R Sheldrake, Director General, Department of Agriculture –

- (a) What was the total cost in preparing submissions for the Poultry Meat Industry Act?
- (b) How many policy advisers or departmental staff worked on the submission?
- (c) How much time was spent by your staff preparing the submission?
(Hansard p1)

ANSWER

The Department of Agriculture commenced a review of the Act in 1998 on behalf of the NSW Government to fulfil its commitment under the Competition Principles Agreement. Neither the Department of Agriculture nor the NSW Government made a submission to the Poultry Meat Industry Act Review. Subsequent representation to the NCC was coordinated by the Cabinet Office.

- (a) As staff conducted the review and provided information to the Cabinet Office as part of their normal duties, the exact cost cannot be quantified.
- (b) The exact number is not known, but is substantial.
- (c) As staff conducted the review and provided information to the Cabinet Office as part of their normal duties, the exact time spent cannot be quantified.

2. Mr Gay asked Dr R Sheldrake, Director General, Department of Agriculture –

- (a) What was the total cost of preparing submissions on the Farm Debt Mediation Act?
- (b) How many policy advisers or departmental staff worked on the submission?
- (c) What time was spent by staff in preparing that submission? (Hansard p1)

ANSWER

The Department of Agriculture commenced a review of the Act in 1999 on behalf of the NSW Government to fulfil its commitment under the Competition Principles Agreement. Neither the Department of Agriculture nor the NSW Government made a submission to the Poultry Meat Industry Act Review. Subsequent representation to the NCC was coordinated by the Cabinet Office.

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- (c) As staff conducted the review and provided information to the Cabinet Office as part of their normal duties, the exact time spent cannot be quantified.

- 3. Mr Colless asked the Minister for Agriculture and Fisheries –**
How many ex-Yanco students have taken up one of the allocated scholarships and commenced studies at Tocal? (Hansard p2)

ANSWER

One.

- 4. Mr Colless asked the Minister for Agriculture and Fisheries –**
How many students who enrolled at Yanco last year have gone to Tocal this year? (Hansard p3)

ANSWER

One.

5. Mr Gay asked the Minister for Agriculture and Fisheries –

Please provide the committee with a copy of the regional impact study concerning the impact on the Leeton area arising from the transfer of full and part time courses from Murrumbidgee Agricultural College that was publicly released and debated at the time of its release? (Hansard p3)

ANSWER

The document is attached as A.

6. Mr Colless asked Dr R Sheldrake, Director General, Department of Agriculture –

Will the residential facilities at Murrumbidgee Agricultural College be available for students at the college undertaking short courses? (Hansard p4)

ANSWER

The Department is looking at the most efficient form of assisting students attending short courses in finding accommodation. Consequently, NSW Agriculture will not operate residential facilities at Murrumbidgee College of Agriculture for students undertaking short courses.

7. Mr Gay asked the Minister for Agriculture and Fisheries –

Since 30 June 2003, how much money have you spent on air charter flights?
(Hansard p5)

ANSWER

Costs incurred during official travel were in accordance with the appropriate guidelines.

Travel undertaken is always on government business and essential for the performance of official business on behalf of the Government of New South Wales.

8. Mr Colless asked the Minister for Agriculture and Fisheries –

Did your Government renege on its commitment last year to provide the Bega Rural Lands Protection Board with \$70,000 to pay for the much-needed full-time dog trapper, to fight the consistently devastating effects of wild dog attacks on farms in that area? (Hansard p8)

ANSWER

No, I am advised there was no such commitment made.

9. Mr Gay asked Mr S Dunn, Director General, NSW Fisheries –

How many Fisheries officers does the Recreational Fishers Trust fund, and where are they located? (Hansard p8)

ANSWER

The recreational fishing (freshwater) trust provides funding for six compliance officer positions. For administrative purposes these positions are nominally located at Albury, Bathurst, Buronga, Inverell, Jindabyne and Wellington.

The recreational fishing (saltwater) trust provides funding for twelve compliance officer positions. For administrative purposes these positions are nominally located at Maclean, Port Macquarie, Port Stephens, Swansea, Brooklyn (three recreational fishing mobile squad positions), Wollstonecraft, Sans Souci, Nowra, Batemans Bay and Eden.

In each case, the trusts provide funding towards the cost of a number of positions. If a vacancy exists due to staff resignations or transfers, then the department arranges for staff from nearby districts to provide essential services.

10. Mr Colless asked Mr S Dunn, Director General, NSW Fisheries –

In relation to the Freshwater Trust, and in particular the positions at Albury, Jindabyne, Wellington and Bathurst. Are these positions vacant at the moment? (Hansard p10)

ANSWER

There are vacant positions at Wellington and Bathurst. Seven new fisheries officers commence duties on 8 March 2004 to fill vacancies across NSW.

11. Mr Cohen asked the Minister for Agriculture and Fisheries –

With respect to the investigation into the illegal trade in abalone on the South Coast, can you tell the Committee how many restaurants and what quantity of seizure has taken place? (Hansard p12)

ANSWER

During 2002/03 the Fisheries Investigation Unit conducted 55 inspections of retail/wholesale outlets in NSW. A total of 1079 abalone were seized by the Fisheries Investigation Unit as a result of all operations during 2002/03.

12. Mr Gay asked the Minister for Agriculture and Fisheries –

- (a) Please provide the committee with a consolidated figure for drought expenditure from July 2003 to the present?
- (b) Please provide the committee with a breakdown of this amount into drought support programs? (Hansard p12)

ANSWER

NSW GOVERNMENT EXPENDITURE ON DROUGHT

1 Jul 03 to 31 Jan 04

Feral Pig and Fox Project Western Division	\$74,851
Wild Dog Destruction Board Fees Western Division	\$1,370,000
Waiving of Fees for Western Land Leases Western Division	\$1,400,000
Waiving of Permit Fees for Bees in National Parks	\$153,050
Financial Counsellors	\$848,200
Emergency Relief Fund	\$1,891,477
Drought Coordinator, Drought Welfare, Administration	\$653,488
Drought Support Workers	\$314,718
Farm Family Gatherings	\$81,714
Cost of Transport Subsidies	\$17,739,214
100% Freight on Donated Fodder	\$173,607
RLPB Fees for Processing Transport Subsidies	\$498,000
Payroll Tax Concessions to Rural Business	\$210,280
Small Business Assistance	\$55,598
EC Interest Subsidies (State's 10% component)	\$4,657,540
TOTAL ASSISTANCE TO FARMERS AND RURAL BUSINESS	\$30,121,737

LOANS TO FARMERS

Special Conservation Loans (desilting, water infrastructure etc)	\$9,640,000
Value of Loan Applications pending	-\$2,240,000
TOTAL LOANS (approved)	\$7,400,000

TOWN WATER

Expenditure on Alleviating Town Water Supply Problems	\$605,000
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TOTAL FOR WATER	\$605,000
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TOTAL	\$38,126,737
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13. Mr Gay asked the Minister for Agriculture and Fisheries –

Please provide the committee with a breakdown of the allocation of FarmBis funding to date and into the next financial year? (Hansard p13)

ANSWER

FarmBis Funding Year	Expenditure (\$M)
1998-99	0.180
1999-00	4.003
2000-01	5.858
2001-02	9.536
2002-03	10.780

Information on the current years expenditure will be available at the end of the financial year.

The current joint Commonwealth/State Government agreement for funding FarmBis terminates this year.

14. Mr Colless asked the Minister for Agriculture and Fisheries –

In relation to itemising funding for the drought, you also mentioned that a special conservation scheme was included in drought funding (there are definitely components of that scheme which are not drought related). Why is this so? (Hansard p14)

ANSWER

Over 99 percent of the funds committed to the Special Conservation Scheme this year, have been allocated to projects of a specific drought preparedness nature. The remaining funds were allocated on projects for Soil Conservation, Tile Drainage, Serrated Tussock and Flying Fox Netting.

15. Mr Cohen asked the Minister for Agriculture and Fisheries –

Regarding Rural Land Protection Boards on the North Coast, has there been any change in the practice of Boards in line with changed farming practices?

- (a) How much expenditure has been undertaken on prosecutions?
- (b) What is the number of prosecutions on the far North Coast? (Hansard p15)

ANSWER

There is no provision in the *Rural Lands Protection Act 1998* for a Board to take action that may lead to a prosecution for failure to pay rates. Boards do have the ability to take civil action to recover unpaid rates. In the last two years only one case has been the subject of formal court action, but was subsequently settled.

16. Mr Cohen asked the Minister for Agriculture and Fisheries –

Is your department prosecuting or threatening land closure any people who are protesting against the payment of (RLPB) fees on the North Coast? (Hansard p15)

ANSWER

No. The Department of Agriculture is not involved in actions relating to rate payments. These matters are the responsibility of Rural Lands Protection Boards.

- 17. Mr Colless asked the Minister for Agriculture and Fisheries –**
Is NSW Agriculture using Rural Land Protection Board veterinary services to minimise the wage costs within the department? (Hansard p15)

ANSWER

No.

18. Mr Colless asked the Minister for Agriculture and Fisheries –

Does NSW Agriculture provide financial assistance to rural land protection board veterinarians who carry out work for your department or are they fully funded by the rural land protection board ratepayers? (Hansard p15)

ANSWER

There is a Memorandum of Understanding between NSW Agriculture and State Council of the Rural Lands Protection Boards which, among other things, determines the process by which Boards will implement state wide animal health programs. In considering these programs reference is made to the financial impact on the Rural Lands Protection Boards. The Department of Agriculture does not provide direct financial assistance to Rural Lands Protection Board veterinarians.

This has been the longstanding practice in relation to these matters.

19. Mr Colless asked the Minister for Agriculture and Fisheries –

In relation to the high volume of work carried out by the rural land protection board technical staff, allocated by NSW Agriculture, does the department plan on increasing rates to cover these increasing costs? (Hansard p15)

ANSWER

NSW Agriculture does not set or raise Board rates.

20. Mr Cohen asked the Minister for Agriculture and Fisheries –

- (a) Would you consider liability protection for non-genetically modified farms affected by any genetically modified organism trespass?
- (b) Has that been considered by your department? (Hansard p16)

ANSWER

(a)&(b) The issue of liability was considered by the Commonwealth and all states at the time the Commonwealth's gene technology legislation was debated. It was agreed that common law was the appropriate protection.

A

**Proposed Consolidation of Corporate Services
and Education Functions by NSW Agriculture:**
Rural Communities Impact Statement



NSW Agriculture

Rural Community Impact Statement

1. Introduction and Background

To achieve organisational efficiencies, NSW Agriculture is proposing to

- consolidate all future full and part time residential education courses at Tocal
- implement a shared corporate services strategy.

These initiatives would involve the possible transfer of approximately 44 staff from Yanco to either Orange or Tocal, approximately 17 staff from Wollongbar to Orange and 14 staff from EMAI to Orange. Alternatively, these staff will be offered voluntary redundancies.

Rural community impacts associated with the two proposals fall primarily into the categories of:

- changes in education service delivery to regional communities; and
- loss of government salaries from regional communities.

Given the transfer of both education services and administrative staff from Yanco (Leeton) and the smaller size of the local communities, there is greater potential for more identifiable and significant rural community impacts in the Leeton area. As a result, this statement focuses on the impacts in the two rural communities of Leeton/Griffith and Lismore/Ballina (see maps attached). The loss of a possible 14 positions from EMAI in the rapidly growing Camden area of outer metropolitan Sydney within a very large and dynamic employment market is considered to be too small to warrant further realistic consideration in this statement.

Whilst job losses have a negative impact for individuals and communities of any size, there are a number of factors which may offset these impacts both within and beyond those communities immediately affected. These factors are considered in the following analysis.

2. Rural Community Impacts

2.1 Service Delivery – Education

Face to face/residential teaching will no longer be offered at Murrumbidgee College of Agriculture. Student numbers have declined over recent years with 33 enrolled in 2002-03. Of these enrolments, only 9 were from the Riverina and a significant number from Victoria. Hence, service delivery to the local area was minimal and will be fully replaced by education services provided from Tocal with other educational providers continuing to offer a number of related agricultural courses. It is anticipated that travel scholarships will be available to assist in offsetting any additional costs incurred by current Yanco students transferring to Tocal for the remainder of their course.

Any course improvements resulting from the transfer of staff to Tocal would generate considerable benefits across its greater current (and likely future) student numbers.

2.2 Income and flow on effects – Yanco and Wollongbar

Approximately 60 staff will be transferred from Yanco and Wollongbar to either Orange or Tocal, or will accept voluntary redundancies. If it is assumed that approximately 50% accept VRs, then around 22 people will leave the Yanco/Leeton area and around 8 will leave the Wollongbar/Lismore area.

The loss of 44 salaries from Yanco and 17 from Wollongbar is small relative to the total workforce and positive employment growth in the Leeton and Lismore regions.

- *In the Leeton region*, at the 2001 census there were approximately 4930 people employed. Significantly, employment has increased steadily in Leeton over the past decade with numbers of employed having risen by 600 between the 1991 and 2001 census periods. Similarly, employment growth has been firm in Griffith with employment numbers increasing by 2300 in the same period. Unemployment has halved – from about 10% to 5% in both Leeton and Griffith over the same period. Overall, the 44 salaries lost would represent less than 1 percent of the total number of Leeton salaries and less than 0.3% Leeton/Griffith salaries (see Table 1).
- *In the Lismore region*, approximately, 11,100 people were employed in 2001 and hence the 17 who may transfer represent a very small percentage (0.15%) of the employed sector. Whilst population and employment levels have been stable in Lismore, employment levels have increased by 37% (almost 4000) in Ballina between the 1991 and 2001 census periods. This was faster than the rate of population growth at 24% over the same period (see Table 2). Unemployment levels had also declined from over 15% in Lismore and Ballina to about 13% and 10% respectively in those areas over the same period.

The regional impacts associated with the loss of government salaries are also dependent on the spending patterns of those involved. A significant proportion of salaries are likely to be spent outside the region. Hence, the actual income loss effect in the particular regions concerned will be less than the dollar value of the 60 salaries directly involved. Further, in the short term VR payments may boost regional income flows. The extent of this effect is again dependent upon spending patterns and the number of recipients who choose to remain in the region.

The impacts from loss of government salaries will also be offset by any subsequent employment of VR acceptors as well as by local employment growth more generally - ie incomes lost may be replaced by incomes earned in other industries minimising the impact on the local economy. The relevant occupation categories of clerical workers, associate professionals and professionals have been expanding at a faster rate than employment as a whole in both the Leeton and Lismore regions offering favourable prospects for re-employment (see Tables 1 and 2).

From a statewide perspective the income and employment impacts in Yanco and Wollongbar will be offset to some extent by positive impacts in Orange and Tocal. The regional centre of Orange will also benefit from staff being transferred from EMAI.

3. Overall Assessment

Education service delivery – enrolments at Yanco are small and declining in number and services will continue to be provided from Tocal. Regional disadvantage is therefore minimal with the potential for widespread gains from any future improvements in education programs/services delivered from Tocal.

Income and Employment - Because of the smaller community size, the impact of lost regional salaries will be greatest in the Leeton area. This will however be limited/offset by:

- the small number of jobs in comparison to the total numbers employed in Leeton and the expanding Leeton/Griffith economy;
- positive income effects associated with VR payments;
- favourable prospects for regional employment growth and re-employment
- positive employment effects in Orange and Tocal.

Table 1: Employment data, Leeton and Griffith Statistical Local Areas: 1991-2001

	1991		1996		2001		Change %
NSW	People	Rate	People	Rate	People	Rate	1991-2001
Employment	2,398,916	88.80%	2,558,875	91.20%	2,748,396	92.80%	15%
Unemployment	303,764	11.20%	247,669	8.80%	213,196	7.20%	-30%
LEETON	1991		1996		2001		Change %
	People	Rate	People	Rate	People	Rate	1991-2001
Population	10795		11031		11469		6%
Employment	4295	90.00%	4665	93.30%	4930	94.80%	15%
Unemployment	478	10.00%	335	6.70%	268	5.20%	-44%
<i>Occupation</i>							
Managers and Administrators	714	16.60%	671	14.40%	674	13.70%	-6%
Professionals	448	10.40%	551	11.80%	615	12.50%	37%
Associate Professionals	263	6.10%	407	8.70%	432	8.80%	64%
Intermediate Clerical, Sales & Service Workers	375	8.70%	593	12.70%	624	12.60%	66%
<i>Employment by Industry</i>							
Agriculture, Forestry and Fishing					970		
Government Administration and Defence					168		
Education	408	9.50%	412	8.80%	410	8.30%	0%
Health and Community Services	235	5.50%	255	5.50%	238	4.80%	1%
Median weekly individual Income		\$200-299		\$200-299		\$300-399	
GRIFFITH	1991		1996		2001		Change %
	People	Rate	People	Rate	People	Rate	1991-2001
Population	20532		21594		23805		16%
Employment	8678	89.30%	9939	95.00%	10994	94.80%	27%
Unemployment	1038	10.70%	526	5.00%	599	5.20%	-42%
<i>Occupation</i>							
Managers and Administrators	1576	18.20%	1585	15.90%	1732	15.70%	10%
Professionals	851	9.80%	1075	10.80%	1299	11.80%	53%
Associate Professionals	508	5.90%	819	8.20%	986	9.00%	94%
Intermediate Clerical, Sales & Service Workers	806	9.30%	1239	12.50%	1302	11.80%	62%
<i>Employment by Industry</i>							
Agriculture, Forestry and Fishing					1980		
Government Administration and Defence					257		
Education	474	5.50%	524	5.30%	602	5.50%	27%
Health and Community Services	653	7.50%	730	7.30%	724	6.60%	11%
Median weekly individual Income		\$200-299		\$300-399		\$300-399	

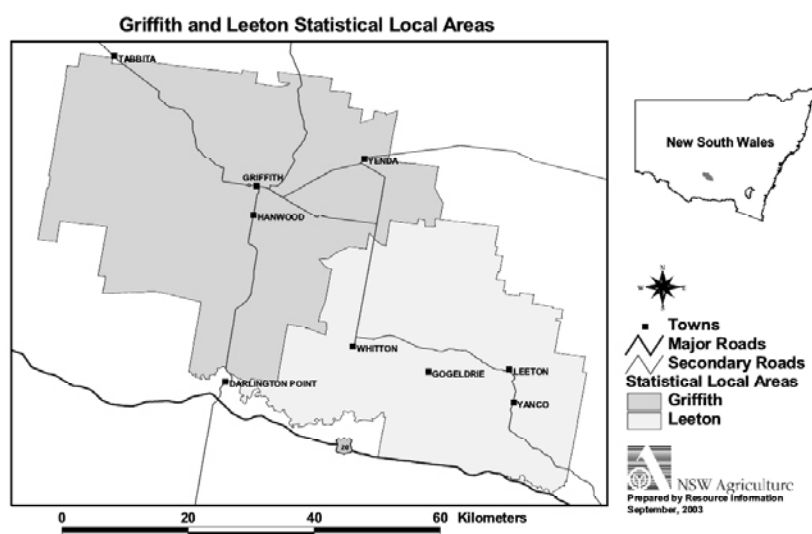


Table 2: Employment data, Lismore / Ballina Statistical Local Areas: 1991-2001

NSW	People	Rate	People	Rate	People	Rate	1991-2001
Employment	2,398,916	88.80%	2,558,875	91.20%	2,748,396	92.80%	15%
Unemployment	303,764	11.20%	247,669	8.80%	213,196	7.20%	-30%
LISMORE	1991		1996		2001		Change %
	People	Rate	People	Rate	People	Rate	1991-2001
Population	30252		30957		30083		-1%
Employment	11128	84.60%	11752	86.70%	11149	87.20%	0%
Unemployment	2027	15.40%	1810	13.30%	1634	12.80%	-19%
<i>Occupation</i>							
Managers and Administrators	780	7%	679	5.80%	644	5.80%	-17%
Professionals	1669	15%	2052	17.50%	1951	17.50%	17%
Associate Professionals	910	8.20%	1358	11.60%	1246	11.20%	37%
Intermediate Clerical, Sales & Service Workers	1420	12.80%	1976	16.80%	1981	17.80%	40%
<i>Employment by Industry</i>							
Agriculture, Forestry and Fishing					391		
Government Administration and Defence					410		
Education	1004	9%	1150	9.80%	1143	10.30%	14%
Health and Community Services	1366	12.30%	1719	14.60%	1668	15%	22%
Median weekly individual Income			\$200-\$299		\$200-\$299		\$200-\$299
BALLINA	1991		1996		2001		Change %
	People	Rate	People	Rate	People	Rate	1991-2001
Population	30110		34702		37218		24%
Employment	10315	84.80%	12598	87.40%	14166	89.90%	37%
Unemployment	1843	15.20%	1812	12.60%	1589	10.10%	-14%
<i>Occupation</i>							
Managers and Administrators	1228	11.90%	1273	10.10%	1414	10.00%	15%
Professionals	1473	14.30%	2013	16.00%	2495	17.60%	69%
Associate Professionals	866	8.40%	1513	12.00%	1843	13.00%	113%
Intermediate Clerical, Sales & Service Workers	1194	11.60%	1926	15.30%	2210	15.60%	85%
<i>Employment by Industry</i>							
Agriculture, Forestry and Fishing					1004		
Government Administration and Defence					519		
Education	799	7.70%	1121	8.90%	1385	9.80%	73%
Health and Community Services	1054	10.20%	1460	11.60%	1678	11.80%	59%
Median weekly individual Income			\$200-299		\$200-299		\$300-399

