

PORTFOLIO COMMITTEE NO. 4 - INDUSTRY

Wednesday, 3 March 2021

Examination of proposed expenditure for the portfolio area

AGRICULTURE AND WESTERN NEW SOUTH WALES

CORRECTED

The Committee met at 9:30

MEMBERS

The Hon. Mark Banasiak (Chair)

The Hon. Lou Amato

Ms Abigail Boyd

The Hon. Catherine Cusack

Ms Cate Faehrmann

The Hon. Sam Farraway

Mr Justin Field

The Hon. Emma Hurst

The Hon. Peter Primrose

The Hon. Mick Veitch

PRESENT

The Hon. Adam Marshall, *Minister for Tourism and Major Events, and Assistant Minister for Skills*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

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The CHAIR: Welcome to the public hearing for the inquiry into the budget estimates 2020-2021 initial hearings. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of this land. I would also like to pay respect to the Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Marshall and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Agriculture and Western New South Wales. Today's hearing is open to the public and is being broadcast live via the Parliament's website.

In accordance with broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that you must take responsibility for what you publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat. All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018.

There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In these circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. Minister Marshall, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Committee secretariat. We expect that transcripts of this hearing will be available on the web from tomorrow morning. Finally, I ask that everyone please turn their mobile phones to silent for the duration of the hearing.

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SCOTT HANSEN, Director General, Department of Primary Industries, on former oath

GARY BARNES, Secretary, Department of Regional NSW, on former oath

DARYL QUINLIVAN, NSW Agriculture Commissioner, affirmed and examined

DAVID WITHERDIN, Chief Executive Officer, Local Land Services, affirmed and examined

BRETT FIFIELD, Deputy Director General, Engagement and Industry Assistance, Department of Primary Industries, sworn and examined

KATE LORIMER-WARD, Deputy Director General, Agriculture, Department of Primary Industries, affirmed and examined

JOHN TRACEY, Deputy Director General, Biosecurity and Food Safety, Department of Primary Industries, affirmed and examined

SEAN SLOAN, Deputy Director General, Fisheries, Department of Primary Industries, sworn and examined

RUSSELL REICHEL, Chair, Marine Estate Management Authority, affirmed and examined

NATALIE MOLTSCHANIWSKYJ, Director, Fisheries Research, Department of Primary Industries, affirmed and examined

The CHAIR: Given that there is no provision for opening statements, we will throw straight to questions. The Opposition has the call.

The Hon. MICK VEITCH: Thank you, Chair. The first series of questions this morning relates to an article in *The Guardian*, which I would like to table and have circulated; there should be enough copies there for everyone. Minister, arising from this morning's article in *The Guardian*, can I ask whether you have ever been approached or lobbied by the member for Monaro to provide funds from Local Land Services [LLS] to a company known as Monaro Farming Systems [MFS]?

Mr ADAM MARSHALL: Thanks, Mr Veitch. It will probably come as no surprise to people in this Committee that I am not a big reader of *The Guardian*, but the article was brought to my attention not long before this hearing. To the best of my recollection the member for Monaro made a representation to me as Minister early last year—I think it might have been February-March—on behalf of that farming body seeking funding for it to continue work in the Monaro area. My understanding is that Monaro Farming Systems—and maybe Mr Witherdin can clarify later—has been working very closely with Local Land Services down there for a number of years on a number of locally or regionally based farming projects.

The Hon. MICK VEITCH: Thanks, Minister. What was the quantum of that funding approach as arising from that meeting in, as you say, early February 2020?

Mr ADAM MARSHALL: It was not a meeting—the representation. From the best of my recollection, Mr Veitch, the request from Monaro Farming Systems passed on by the member for Monaro was in the order of \$70,000.

The Hon. MICK VEITCH: We might come back and explore that. Minister, has your office ever been approached by the member for Monaro to provide funding from LLS funds to Monaro Farming Systems?

Mr ADAM MARSHALL: No, I do not believe so, and certainly—

The Hon. MICK VEITCH: You may have to take that on notice.

Mr ADAM MARSHALL: —that representation, I guess it was written to me but it goes through my office, so technically you could class it as that. But yes, that is the only approach that I am aware of. Certainly I have never had a discussion with the member for Monaro about Monaro Farming Systems at all, let alone this specific request.

The Hon. MICK VEITCH: Could you take on notice about your office, just to check?

Mr ADAM MARSHALL: Yes, I am happy to take that on notice, Mr Veitch. Perhaps I can get it before the end of the hearing if that assists you—

The Hon. MICK VEITCH: That would be much appreciated.

Mr ADAM MARSHALL: —but otherwise I will take it on notice.

The Hon. MICK VEITCH: Minister, have you ever been approached by Mr Angus Taylor, the Federal member for Hume, to provide funding from LLS to Monaro Farming Systems?

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Mr ADAM MARSHALL: No. I have never met Mr Taylor at any time in my life nor ever had a conversation with him.

The Hon. MICK VEITCH: Has your office ever been approached? Again, you might want to take that on notice.

Mr ADAM MARSHALL: Again, I can check that, but I would be very surprised. But I can check that for you. Not to my knowledge, though.

The Hon. MICK VEITCH: Minister, have you ever been approached or lobbied by the Hon. Bronwyn Taylor to provide funds from LLS to Monaro Farming Systems?

Mr ADAM MARSHALL: No, I have not. I have never had a conversation with Minister Taylor about either Monaro Farming Systems or a particular funding request.

The Hon. MICK VEITCH: And your office? Do you know if your office has been approached?

Mr ADAM MARSHALL: Same as the last question: To the best of my knowledge the answer is no, but I will check that for you and come back to the Committee.

The Hon. MICK VEITCH: Minister, when we are talking about the LLS for Monaro we would be talking about South East Local Land Services, would that be true?

Mr ADAM MARSHALL: I believe that is the region, yes. South East—Mr Witherdin, is that correct?

Mr WITHERDIN: Yes, that is correct.

Mr ADAM MARSHALL: Yes, South East.

The Hon. MICK VEITCH: What is the process for allocating funds from Local Land Services for you as the Minister? Is there a list of delegations upon which you would sign off and then, depending on the size or quantum of the grant, it would then go down the chain?

Mr ADAM MARSHALL: Yes—and Mr Witherdin might be able to clarify—but I believe like all public sector organisations there is a delegation in terms of expenditure, particularly with LLS. As you would be aware, unlike other government agencies it is very decentralised. There are eleven LLS regions, each with their own general managers and boards that have delegated authority to expend a certain level of public expenditure without seeking the approval of, say, Mr Witherdin as CEO or myself as Minister. Mr Witherdin, could you just help? What are the delegations?

Mr WITHERDIN: Yes, sure. We have a detailed—

The Hon. MICK VEITCH: Can we start with the ministerial delegation, thanks? What level is the Minister up?

Mr WITHERDIN: The delegations sit under the board and sort of cascade down from there. It is a governing board. I have a \$5 million delegation; an individual general manager of a region has a \$500,000 financial delegation. Although we are set up with 11 boards it is still one financial entity overall.

The Hon. MICK VEITCH: When you say \$500,000 for a regional manager that would be, for instance, the CEO of the Local Land Services?

Mr WITHERDIN: The general manager of the local region. But that delegation is associated to an already approved budget—funding that has already been approved. It has been through the Treasury process; it has been approved by the local board and the State board. That is already allocated; it is just to then spend that against the budget.

The Hon. MICK VEITCH: Minister, in the article today, which you have said was brought to your attention, it would appear that Monaro Farming Systems itself was a bit surprised about the \$107,000 grant that is the subject of the article. The article states:

"I remember when that happened we got a press release and there was a bit of scrambling ... It was an agreement between LLS and Stuart with us as the facilitator. I never felt really comfortable with that because we weren't dictating the terms of the work."

How regular is it that a grant is allocated and the recipients do not know they are getting the money?

Mr ADAM MARSHALL: I do not know, Mr Veitch. I believe the article was referencing—if it is the same reference to the grant that occurred prior to me taking over this portfolio. As I said, the article was brought to my attention just before this hearing. Given that that was referencing an issue before even my time in this portfolio I cannot unfortunately—

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The Hon. MICK VEITCH: That would never happen under your—

Mr ADAM MARSHALL: I would love to shed some light on it but I cannot.

The Hon. MICK VEITCH: The Committee could feel comfortable in the fact that that would not ever happen under your stewardship of the department?

Mr ADAM MARSHALL: Well, it would not, and it has not, to the best of my knowledge, yes. Generally, if I am signing off on funding for an entity it is almost—well, it always is because they have actually requested it for a particular reason and it has been assessed by the department and recommended to be allocated.

The Hon. MICK VEITCH: Okay. So, when funds are allocated—we can talk about a range of funds, but for the purpose of this question over the \$107,000 grant—for a grant of that size and funds are allocated, is there a funding agreement or some sort of deed that comes with the grant to say just what the public funds would be spent for?

Mr ADAM MARSHALL: I presume there would have been at that time, Mr Veitch, but given it predates me, maybe Mr Witherdin can explain.

Mr WITHERDIN: Yes. I am certainly happy to speak to that, Mr Veitch. Look, I think you have referred to it as a grant but it was actually a contract that was established with Monaro Farming Systems for \$107,000. That was for them to actually undertake a pilot study called the Monaro grasslands pilot. So, they were engaged to do a specific piece of work with, you know, specific deliverables as part of that. That was not with the region there in terms of south-east; it was at a State scale that that was done.

The Hon. MICK VEITCH: So the money did not come from south-east Local Land Services, Mr Witherdin. You are saying it came from the State Local Land Services.

Mr WITHERDIN: Yeah, that is right. It was funded under the—as far as I am aware—through the sustainable land management budget there for a specific piece of work into that pilot study. I am sure you are well aware of some of the challenging issues down there with grasslands there under the land management framework, the interplay with the Environment Protection and Biodiversity Conservation [EPBC] Act and the weeds issues in terms of the African lovegrass. They were contracted to lead a pilot study there. That work has been largely completed and it has actually been peer reviewed as well and been very well received.

The Hon. MICK VEITCH: Minister, each allocation of funds, whether it is a grant or a contract, then would have some sort of deed, a contract, some sort of terms around how the funds would be spent. That is the process of allocating funds from Local Land Services?

The Hon. MICK VEITCH: It would depend on the nature of the program and the grant but, yes; ordinarily, yes.

The Hon. MICK VEITCH: Do we ever allocate funds without a grant, without a contract deed or some sort of agreement around how the funds will be spent?

Mr ADAM MARSHALL: Not that I am aware of, yeah.

The Hon. MICK VEITCH: No doubt this is not the only contract grant or funding process that the Monaro Farming Systems has received. It is possible for us to get a list of the funds that have been granted through the various Local Land Services structure to Monaro Farming Systems and a copy of the contract, the deed or whatever as to the purpose for which the funds are to be spent?

Mr ADAM MARSHALL: Yeah. I am happy to take it on notice, Mr Veitch, and provide that to the Committee.

The Hon. MICK VEITCH: I would expect—

Mr ADAM MARSHALL: I mean, subject to any commercial-in-confidence things but, yeah, happy to—the nature of the funding, what it is for, and all of that.

The Hon. MICK VEITCH: And the date?

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: Okay, thank you. And the other one that I am after is their applications for the said funding from Monaro Farming Systems. Do you think it would be possible to get that as well?

Mr ADAM MARSHALL: Their correspondence?

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The Hon. MICK VEITCH: I understand and appreciate confidentiality arrangements or commercial in confidence but if the Committee could get those, that would be good. Thank you, because what I want to ask now, probably through you, Minister, to Mr Witherdin, with your permission.

Mr ADAM MARSHALL: Sure.

The Hon. MICK VEITCH: That contract you were talking about, how did the approach come about for the requests for the funds? Did MFS make a formal written application for funding for a pilot study?

Mr WITHERDIN: I will take on notice the specific detail around this because the staff member who ran these programs is no longer in our employment. But my understanding is that they were approached directly because of their specific knowledge, experience and the large professional network they have got in that area. They are well credentialled there in terms of the—

The Hon. MICK VEITCH: Sorry, Mr Witherdin. When you say "were approached", LLS approached Monaro Farming Systems or Monaro Farming Systems approached LLS in the first instance?

Mr WITHERDIN: My understanding is that LLS approached MFS.

The Hon. MICK VEITCH: How did that come about? What was the catalyst for the decision to make that approach?

Mr WITHERDIN: Well, as I said at the outset, I will take the specifics of that on notice because I was not across the detail of that but I think that given their credibility, their work there in this space—I mean, Monaro Farming Systems have worked there with the Commonwealth Department of Agriculture, with CSIRO, with the University of Sydney. They have got a very strong representation of landholders right across the Monaro and specific knowledge of the grasslands issues there.

The Hon. MICK VEITCH: Okay, thank you.

Mr WITHERDIN: They are really well positioned to undertake this specific work.

The Hon. MICK VEITCH: Thanks, Mr Witherdin. In MFS's annual report dated 6 September 2018 in the chairman's foreword—at the time of this Mr Richard Taylor was the chairman—it states:

In a significant departure from our policy of leaving political issues to the farm lobby groups, MFS has taken on a lead role in working with NSW Farmers and LLS to achieve a better outcome in native vegetation regulation.

As I heard you say, they were approached because of their expertise in this area. But if you look at that statement from the annual report of the Monaro Farming Systems, it was actually a departure from what they would normally do. How was that identification made that they had the expertise to get the funding?

Mr WITHERDIN: Well, I think, they are certainly well credentialled down there in the Monaro for doing that but I cannot speak to what their intentions are, you know, or were in terms of the comment in the annual report. What I can speak to, and I have, is the contract that was established with them to deliver on specific outcomes for this piece of work.

The Hon. MICK VEITCH: Which you are going to table, so that is good.

Mr WITHERDIN: Yes, which we will table. That piece of work has since been peer reviewed. I think Wendy Craik did that and it has actually then fed into the, you know, the Commonwealth's review of the EPBC Act. So, you know, we are really happy to provide that information and we can demonstrate the outcomes of that contract.

The Hon. MICK VEITCH: What is the relationship then? As part of this exercise when you identified Monaro Farming Systems as having the skills sets, did anyone investigate the relationship that existed between Monaro Farming Systems and a company called Jam Land?

Mr WITHERDIN: I am not aware of that. As I said, I did not establish that contract. The director who did establish the contract is no longer in our employment, but we are very happy to go back and review the records we have associated with that.

The Hon. MICK VEITCH: Through you, Minister, to Mr Witherdin: I think it is pretty important that the Committee be advised of what due diligence was undertaken at the time the approach is made to Monaro Farming Systems about their relationship with the company Jam Land because, as you would appreciate, the work that they have been engaged to undertake as a part of expending that \$107,000 was to look at mechanisms around assessing the Monaro grasslands, and at that very same time the company Jam Land was in a little bit of strife over breaches of the EPBC Act relating to Monaro grasslands. Would that be true, Mr Witherdin?

The CHAIR: Minister?

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The Hon. MICK VEITCH: Or Minister? Would that be true?

Mr ADAM MARSHALL: Would what be true? Sorry, I thought you were directing your question to Mr Witherdin.

The Hon. MICK VEITCH: At the time that LLS decided to approach Monaro Farming Systems because of their expertise in an area that they say in their annual report they had not yet undertaken, at the very same time they had a relationship with a company called Jam Land, which was before the courts for breaches—or I think or as I understand it—for chemically clearing Monaro grasslands.

Mr ADAM MARSHALL: Yeah. As I said earlier, the incidents which you have just referenced in your question all occurred before I was appointed Minister and I am not sure what relationships existed between various third parties. What you say may well be correct. I have no way of knowing if that is correct or not.

The Hon. MICK VEITCH: Minister, in the light of the article in *The Guardian* today, which you have had brought to your attention this morning.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: Will you be seeking to undertake a review within your department around how the grant for \$107,000 came to be in existence, how it was spent?

The Hon. SAM FARRAWAY: It is not a grant.

The Hon. MICK VEITCH: Contract.

Mr ADAM MARSHALL: Yeah, the contract.

The Hon. MICK VEITCH: Whatever you want to call it. It is funds—it is public money from the taxpayers.

Mr ADAM MARSHALL: As I said, I have just been alerted to the article this morning before this hearing. It relates to a matter that occurred before I became Minister. But certainly in the course of responding to questions which we have taken on notice, I will be having a very close look at all of that information as well and making my own assessment as Minister. Obviously I am not going to pre-empt that with any public comments here today, but I will be having a good look at that information for sure, Mr Veitch, as you would expect me to.

The Hon. MICK VEITCH: Any good Minister would. Can you provide a guarantee to the Committee that you are going to undertake a review around this \$107,000 contract or whatever to Monaro Farming Systems, including the way that it actually came about and how they spent the funds?

Mr ADAM MARSHALL: Sure. As I have just said, in the course of responding to questions that have already been taken on notice, obviously I am going to have a very good look at that material to determine what occurred. That is the commitment I am very happy to give.

The Hon. MICK VEITCH: When contracts, grants or funds are allocated from Local Land Services to organisations, is there an acquittal process and an independent audit of the way the funds were spent?

Mr ADAM MARSHALL: I would expect that there would be as there is standard across government with all public funds, no different to the funds that are distributed through LLS or the Department of Primary Industries [DPI] through the weeds action plan or through Landcare NSW funding.

The Hon. MICK VEITCH: Could you provide the independent audit or the acquittal for the \$107,000 contract to MFS that was conducted and present it to the Committee?

Mr ADAM MARSHALL: Yes. I will have to take that on notice, but yes.

The Hon. MICK VEITCH: I am trying to get my head around how this actually started. The article talks about why the grant was made. How often is it that Local Land Services, the State body or the regional Local Land Services, would approach someone with a view to provide funding for a very specific policy without going out to a public tender or even a selective tender? How often does that occur?

Mr ADAM MARSHALL: I cannot answer how often that occurs because those are operational matters. However, what I can say is Local Land Services, like the Department of Primary Industries and any other government agencies, are bound by New South Wales Government tendering and procurement policies. Not every expenditure of public funds, to the best of my knowledge, has to go out to a public tender. There is a threshold test depending on the amount of expenditure and there are built-in checks and balances through funding deeds and acquittal processes. What I do know, Mr Veitch, and I am happy to tell the Committee, is that it is very commonplace, to the best of my knowledge, for Local Land Services and the Department of Primary Industries

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to engage and partner financially and non-financially with third parties that have deep roots in the local community or specialist expertise in a particular field that might be assisting with a project on the ground. A good example of that is the work that we are doing in Western Division around wild dogs and collaring of wild pigs at the moment.

The Hon. MICK VEITCH: We may come to that later on this morning.

Mr ADAM MARSHALL: I hope we do; it is one of my favourite topics. It is not uncommon for government agencies to partner with third parties. That being said, there are very clear government policies in place to ensure that public funds are expended appropriately and indeed properly acquitted.

The Hon. EMMA HURST: Last week a massive dog breeding facility development application [DA], which is currently sitting with Moama council, with a proposal for up to 300 dogs was linked to a man, Mr Ben Geerling, who has been convicted of animal cruelty in Victoria and banned in that State from setting up a breeding business for 10 years. Are you aware of this case? Have you seen the media on it?

Mr ADAM MARSHALL: I have seen the media clips about a development application that has been lodged with the local council and I believe that individual is not the applicant but is somehow connected. I am not sure how connected, but the media reports say that he is connected to that development application. But I believe he is not the applicant.

The Hon. EMMA HURST: That is correct; he is not the development applicant. Mr Geerling was previously managing a puppy farm in Victoria which was connected with Mr Fenn, who is the applicant of the DA. My office was contacted by a member of the public who said that they had actually purchased a puppy from Mr Geerling, the man that was convicted of cruelty, from the address of the development application and she was able to identify him by photo and by name. We conducted a title search which revealed that the actual land the DA is for is actually owned by Mr Geerling. Does that concern you?

Mr ADAM MARSHALL: What? That someone owns the land?

The Hon. EMMA HURST: That he is linked and he is potentially selling puppies from this property already.

Mr ADAM MARSHALL: Are you alleging that he has broken the law?

The Hon. EMMA HURST: He has broken the law in Victoria; he was found guilty of animal cruelty. My question to you is, are you concerned that in Victoria he is banned from setting up a breeding business for 10 years but we have claims that he is involved now with a new potential facility and that he is already selling dogs at that facility?

Mr ADAM MARSHALL: If that particular individual is engaged in the breeding of companion animals then he would be subject to enforcement and compliance action by all or any one of the three enforcement agencies under the Prevention of Cruelty to Animals Act [POCTAA].

The Hon. EMMA HURST: Does it concern you that in New South Wales our legislation does not automatically recognise bans that have come in through court orders in other States?

Mr ADAM MARSHALL: Well, it does under the Prevention of Cruelty to Animals Act but you are talking about an issue relating to land use planning under the Environment Planning and Assessment Act 1979, aren't you? You are talking about the development application to build a facility.

The Hon. EMMA HURST: No. He was found guilty under POCTAA—under the Victorian Protection of Cruelty to Animals Act. I think what you might be referring to is a recognition by order in writing from the Minister. If somebody was found guilty under POCTAA and they were given a court-ordered animal ban, someone would have to write to you personally and get that ban recognised. Why is that extra step there rather than an automatic recognition of animal bans between States?

Mr ADAM MARSHALL: You have exhausted the extent of my detailed knowledge of POCTAA. I would have to ask Mr Hansen to answer that.

Mr HANSEN: You are right. POCTAA under, I think it is, section 31AA has the recognition of interstate orders, which would be of relevance and should pick up Mr Geerling's ban that he carries forward from Victoria. The challenge here is the fact that the DA—and until you have raised it this morning we were not aware of any evidence that Mr Geerling was involved in Mr Fenn's DA. That DA was being progressed by someone who had no interstate order placed on them or prosecution found against them in an interstate environment. If you have got evidence of Mr Geerling actually carrying out activities then we would love for you to make sure that that becomes available to either RSPCA, police or Animal Welfare League for them to look further into it.

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The Hon. EMMA HURST: Certainly. We will definitely send that on. Are you concerned that there is nothing in New South Wales really from being able to stop Mr Geerling from being involved with this puppy farm?

Mr ADAM MARSHALL: As Mr Hansen has just said, there is if it can be established that he is involved. To this point, we have no evidence or had no evidence that he is involved because he is not the applicant for the particular proposal.

The Hon. EMMA HURST: But is that not a gap in the legislation in itself if somebody else is applying to have the development application but somebody else is actually on the ground running the facility?

Mr ADAM MARSHALL: It is not because, as Mr Hansen has just said, if that individual who has that order in another State is actually running the facility, then the fact that he or she is or is not the applicant is immaterial in accordance with POCTAA as long as it can be demonstrated that that individual actually is operating the facility. Is that correct, Mr Hansen?

Mr HANSEN: That is correct.

The Hon. EMMA HURST: Outside of this specific example and on the whole idea of "by order in writing", would you support any update to our legislation to recognise court-ordered bans in other States automatically rather than having this extra step where the RSPCA would have to be aware that somebody has moved across a State and actually write directly to you to get that recognised?

Mr ADAM MARSHALL: I think the issue you raise is a valid one, Ms Hurst, and certainly if you have not made that submission or a member of the public, I will ask Mr Hansen to ensure that is considered as part of the current review that is on foot in relation to animal welfare laws in this State and make sure that is picked up as part of that.

The Hon. EMMA HURST: Thank you for that, Minister. Moving back to the development application in Moama, the mayor of Murray River Council stated in the media that the State Government is moving too slowly on legislative reform in this area. He said that councils are getting caught in the middle of a flurry of puppy farm applications. Are there any plans for legislative reform to assist councils on the border of New South Wales?

Mr ADAM MARSHALL: I am at a bit of a disadvantage, Ms Hurst. I am not the planning Minister. The planning Minister controls the Environment Planning and Assessment Act by which all developments have to be submitted for assessment by the relevant consent authority. I administer the Prevention of Cruelty to Animals Act. It is not a land use planning piece of legislation; that is the planning legislation.

The CHAIR: You are not going to add anything, Mr Hansen? You were looking like you were going to—

Mr HANSEN: No, the bell has rung. I am sure we will come back to it later.

The Hon. EMMA HURST: We have not finished.

Mr ADAM MARSHALL: We have got a long time.

The CHAIR: I will start next. Can we stick with puppy farms?

Mr ADAM MARSHALL: Yes.

The CHAIR: I know you are shocked. Minister, last year you announced additional funding for the RSPCA to crack down on puppy factories.

Mr ADAM MARSHALL: Yes.

The CHAIR: Was it your intention of the funding that the RSPCA rebadges its Breeder Compliance Unit and then go ahead and target essentially low-hanging fruit in the form of hobby and recreational breeders and then hold them to a commercial breeding standard?

Mr ADAM MARSHALL: No, Mr Chair.

The CHAIR: So the RSPCA has gone rogue again?

Mr ADAM MARSHALL: I love this. I get hammered on the left, and now it is time to get hammered on the right on the one issue. The announcement that I made late last year was, in my mind, quite clear. It was to allocate additional resources to an enforcement agency to particularly target the scourge of puppy factories because, as we all know around this table, there had been a certain increase—particularly during COVID—of these disgusting facilities establishing across the State where they were just treating animals poorly. To your

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question, Mr Chair—the purpose of the task force, as far as I announced it and go under the radar of the various authorities, that was the intent.

The CHAIR: But that is obviously not what is happening. How many puppy factories have actually been discovered and shut down since your announcement?

Mr ADAM MARSHALL: I would have to take that on notice, Mr Chair. The three enforcement agencies that enforce POCTAA obviously do that work independent of government. You have probably seen the media reports of a facility in the Central West that was raided by one of the enforcement agencies and shut down, and there are other investigations afoot that I am aware of. But I would have to take that question on notice.

The CHAIR: Is it the problem, though, that there actually is no legal definition of what a puppy factory or puppy farm is? We are actually left at the mercy of these three—well, the two approved charitable organisations [ACOs] and the police to determine what one is or what one isn't and left to them to interpret their own inspection codes willy-nilly?

Mr ADAM MARSHALL: You are right, Mr Chair. There is no definition either under the Prevention of Cruelty to Animals Act or the breeding code under that Act. You will not find the phrase "puppy factory"—or some people call them farms. I think farms are good things—I know you do—so I call them puppy factories. But there is no specific—you will never find that phrase mentioned anywhere. It is a colloquial phrase. It is not mentioned in any legislation or the code, and there is no definition. Victoria, for instance, has a different legislative approach where they actually set a cap. So they do not actually ban puppy factories, but they have a cap on the number of animals you can have at a commercial breeding facility. We do not in New South Wales. What we class as puppy factories colloquially is any commercial breeding facility that is intensive and does not meet POCTAA requirements or the breeding code.

The CHAIR: Can we shift focus now to some fishing stuff—Murray crays. From my understanding, there is a moratorium on the taking of Murray crays in the Murray River and tributaries around Barham. I think it was around 2013, 2014.

Mr ADAM MARSHALL: Down to Tocumwal as well, I think.

The CHAIR: I think, yes.

Mr ADAM MARSHALL: From Barham to Tocumwal.

The CHAIR: I think that was due to several blackwater events.

Mr ADAM MARSHALL: Yes.

The CHAIR: Minister, it is the understanding of the community that that was a five-year moratorium.

Mr ADAM MARSHALL: Yes.

The CHAIR: Can you advise as to whether that moratorium has been lifted?

Mr ADAM MARSHALL: It has not been lifted at the moment, and it is only in place for a certain time period of the year. I am looking—just wording up Mr Hansen and Mr Sloan. They can fill in the gaps.

The CHAIR: Looking at the map the other day, it shows that most of the area is blacked out. You cannot do it, and there are only two strips that you can within a season.

Mr ADAM MARSHALL: In response, I have received some correspondence from yourself, Mr Chair, as well as some licensed recreational fishers and some angling clubs down south. I have actually asked and requested the department to conduct a review. My understanding is that moratorium was put in place to preserve the viability of that particular stock. What I want to ascertain as the responsible Minister is: Has that moratorium done its job? Is the stock now of sufficient quantity in that area that the moratorium has done its job, that the stock is now healthy and we have no need for that moratorium? I have asked the department to undertake that review, and they will be doing that. Mr Hansen or Mr Sloan might have some further details for you on it.

Mr SLOAN: Thank you, Minister. I would actually have to take that on notice. I am not sure of the answer.

The CHAIR: That is fine. Still staying with Murray crays, silver perch and eel-tailed catfish—these are all listed as, I think, threatened species or potentially critically threatened species; your department might be able to confirm which one it is. What research has been conducted into these species recently?

Mr ADAM MARSHALL: I am not aware if they are listed as threatened. If they are, it would not be by DPI Fisheries under the Fisheries Management Act. That would occur by the Commonwealth under the

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EPBC Act. Our Fisheries staff regularly conduct—and I have afoot a number of research programs into those stocks. Perhaps Dr Moltschaniwskyj might be able to provide you with some further information, Mr Chair.

Dr MOLTSCHANIWSKYJ: Sorry. Could I ask for that question again, please.

The CHAIR: We are looking at Murray crays, silver perch and eel-tailed catfish. My understanding is, particularly obviously in the Riverina region, they are listed as threatened, which means you cannot take them and you cannot restock them back into their native rivers. You could get a permit to restock them back into dams, but you cannot actually restock them into native rivers, which seems a bit illogical.

Dr MOLTSCHANIWSKYJ: We can seek a permit to allow restocking. That is a formalised permit that is issued that allows stocking under certain conditions and regulations around the genetic diversity of the animals and to make certain that they are being restocked into the same places that we have got the breed stock from.

The CHAIR: On notice, could you come back and tell us how many permits are being issued to recreational fishing clubs or conservation groups for those species?

Mr ADAM MARSHALL: We will give you the information—the number of applications for permits and the numbers that have been granted.

The CHAIR: Thank you. Ms Faehrmann.

Ms CATE FAEHRMANN: Minister, my office has been sent some disturbing images of platypus drowning in yabby traps. I am sure you have seen these images yourself.

Mr ADAM MARSHALL: Opera house-style yabby traps. Yes.

Ms CATE FAEHRMANN: These are the opera house-style yabby traps, which I think some other States have banned. I understand that these traps catch wildlife other than platypus as well, including turtles and others. What is the delay from your Government in terms of banning these traps which are clearly killing platypus and continue to kill them in our waters?

Mr ADAM MARSHALL: Ms Faehrmann, thank you very much for the question. Those yabby traps are already banned anywhere east of the Newell Highway in New South Wales.

Ms CATE FAEHRMANN: Just in public waters, is that?

Mr ADAM MARSHALL: They are banned from being used. I am happy to advise—this has never happened to me at estimates before, but you are going to get an announcement here.

Ms CATE FAEHRMANN: Great.

Mr ADAM MARSHALL: From the end of April this year, yabby traps will be banned west of the Newell. So there will be a total ban across New South Wales. In addition, to assist many of our fishing fraternity adjust, the Government will be providing 5,000 free new traps, not opera house-style but the new modern traps. They will be available for free to recreational fishers right across the State and will be delivered and distributed by the Department of Primary Industries Fisheries, even local MPs.

The Hon. CATHERINE CUSACK: Hear, hear!

Mr ADAM MARSHALL: Yes, it is good news. But they are already banned and have been for some time east of the Newell Highway.

Ms CATE FAEHRMANN: That is excellent to hear. I think I asked the environment department officials some of these questions yesterday. Possibly word moves fast, so that is fantastic.

Mr ADAM MARSHALL: Can I say that this announcement has been—I can assure the Committee that none of your questioning yesterday precipitated what I just said. This was already in train.

The CHAIR: I don't think that Matt Kean and Adam are that close.

Ms CATE FAEHRMANN: The Minister was prepared to come to estimates today to talk about the platypus. The opera house-style traps that you were—that is amazing. So you were going to announce this today anyway? Excellent.

Mr ADAM MARSHALL: Well, I just did.

Ms CATE FAEHRMANN: That is fantastic.

Mr ADAM MARSHALL: This is a public forum, isn't it?

CORRECTED

Ms CATE FAEHRMANN: That is great.

The CHAIR: Where is the media?

Ms CATE FAEHRMANN: Excellent. In Victoria there was a highly successful program. They have removed 20,000 of the traps. You have said 5,000, which is fantastic, but how are you going to ensure that the traps that are actually out there at the moment that are being used—I think that one killed four platypuses in the Shoalhaven River in 2019—are basically brought in? Is this what you are hoping the 5,000 will do?

Mr ADAM MARSHALL: Yes, I am hoping that it will, but the example that you gave in the Shoalhaven was obviously illegal because that was an illegal use, that trap is illegal, east of the Newell Highway. And unfortunately, whether it is in the fishing space or any other area, even as serious as criminal law, just simply banning something and making something illegal does not ensure that that sort of practice does not occur occasionally.

Ms CATE FAEHRMANN: Of course.

Mr ADAM MARSHALL: So that is why we have our Fisheries officers on the beat, so to speak, and ensure that they do very regular compliance activities for all sorts of activities, including this. The idea of the 5,000 free traps is to provide a very clear incentive for people to give up their now illegal traps. And why should they? Because they are going to be given some free ones by the Government. It is a pretty good deal.

Ms CATE FAEHRMANN: Yes. Will there be an education program around that to inform the public? Will it actually be illegal to use the old traps? Is that what you are saying?

Mr ADAM MARSHALL: Yes, absolutely illegal.

Ms CATE FAEHRMANN: What will happen to those people caught?

Mr ADAM MARSHALL: I think it is an amendment by regulation that I sign under the Fisheries Management Act. There will be an education campaign that the Department of Primary Industries has ready to go, and emails and letters will go out to fishing clubs and all fishing licence holders across the State. We will be doing a media blitz and local MPs across the whole political spectrum will be provided with all the information to try to inform their local communities just to get the word out and make sure that people are aware that these things are illegal and that you can throw it away or come in and exchange it, if you want, for a free trap that is compliant, safe and will not trap platypi, or platypuses.

Ms CATE FAEHRMANN: So they are killing machines, basically. Can I also check that if people have them in their shed or whatever and they have a dam on their private property—because they also kill turtles and other wildlife—they will not be able to use them there as well? Is it in all waters or just public waters, just to be clear?

Mr ADAM MARSHALL: I think that is my understanding, but I will ask Mr Sloan or Mr Hansen.

Mr SLOAN: I can clarify that, Minister. It will be in all waters.

Ms CATE FAEHRMANN: Excellent.

Mr SLOAN: The other thing that I will add to what the Minister has described is it will begin as an order and then transition to a regulation. The other point to note is that the large tackle stores like BCF and so on do not actually sell those opera house nets anymore. They have not just been banned east of the Newell Highway but they are actually not available to buy in the stores anymore.

Ms CATE FAEHRMANN: That is great. I assume that because there was a delay, I know there was going to be a transition period and that these new-style traps—this was all supposed to be done by the end of last year, as I understand it.

Mr ADAM MARSHALL: Yes, it was. And the reality is that unfortunately in this sort of portfolio, both DPI and particularly LLS were absolutely smashed last year with bushfires and drought.

Ms CATE FAEHRMANN: Koalas.

Mr ADAM MARSHALL: And I am not using that as an excuse, but last year was just a super busy year for these two departments.

Ms CATE FAEHRMANN: Fantastic. That is good news for the platypus this morning. Let's see whether it is good news for koalas. Just one more question, if I can squeeze it in. Regarding the koala plans of management [KPOMs] in the Local Land Services bill that you drafted, I understand, or gave instructions to draft, why did you instruct to freeze those particular koala plans of management? Why did you want those koala plans

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of management in the bill to basically exclude other councils who had their draft plans of management within department planning? Why did you do that?

Mr ADAM MARSHALL: The reason why Cabinet made this decision—and drafting instructions were given to the Parliamentary Counsel's Office [PCO] to do that—was to grandfather, if you like, the provisions of those already approved KPOMs in that legislation. The reason the others were not listed was because they had not yet been approved yet. They may have been in the planning system but they were not gazetted as koala plans of management. That is not something that I made a call on. That was obviously the advice at a departmental level that was provided by the department of planning that those were the only KPOMs that were currently in force.

The Hon. MICK VEITCH: Minister, I want to go to some questions around the agricultural workforce in New South Wales.

Mr ADAM MARSHALL: Yes, please.

The Hon. MICK VEITCH: It is pretty clear that when the international borders were shut due to COVID, it highlighted the issues that we have with our agricultural workforce in New South Wales.

Mr ADAM MARSHALL: Yes, reliance on overseas workers.

The Hon. MICK VEITCH: Yes, that is right, and the fact that we do not have the Kiwis to shear our sheep anymore, we do not have the Canadians coming down to operate our harvesters and we did not have the backpackers to pick the fruit. In light of that, what are we now doing to make sure that we have the trained and skilled workforce to meet the requirements of our agricultural and horticultural sectors in New South Wales?

Mr ADAM MARSHALL: Excellent question. Thanks, Mr Veitch. It is a difficult issue not just for New South Wales but for all of Australia. No-one has really been able to—either in industry or in government, regardless of political persuasion—find that silver bullet. It is an unfortunate fact that over many, many years our agricultural sector in New South Wales—whether it be meatworks or the horticultural sector, which are the two major industries that are impacted that you are referring to—have become incredibly reliant on overseas workers. The meatworks industry typically sources its employees from the Commonwealth's Seasonal Worker Programme or the Pacific Labour Scheme—the PLS and the SWP—where typically more than 70 per cent of the horticulture industry workforce historically comes from the holiday-maker workforce, which is a different class of visa that, again, the Commonwealth approves.

So when those international and State borders went up, all those programs were suspended. The first thing that New South Wales did, to run you through the steps that we have been collectively taking to try to fix the issues: First of all, New South Wales led the charge and actually wrote the draft of the Australian agricultural workers program to allow the free movement of agricultural workers across State borders, similar to the freight industry, regardless of what States did with raising or lowering their State borders. That was eventually adopted—

The Hon. MICK VEITCH: Sorry, when did you do that, Minister?

Mr ADAM MARSHALL: In terms of the dates, it was last year—

Mr HANSEN: It was formally adopted on 25 September.

Mr ADAM MARSHALL: It was formally adopted on 25 September by National Cabinet, but we had been working on it for, I would say, months, probably since March.

The Hon. MICK VEITCH: That is okay, keep going.

Mr ADAM MARSHALL: So we did that first and it was finally adopted. And remembering that all these things sadly and frustratingly take time because, one, we were and still are in unprecedented territory and, two, everything means getting the agreement of multi-levels of government who each have their own system. So that was first.

The Hon. CATHERINE CUSACK: I would say that you did that quickly, actually.

Mr ADAM MARSHALL: Yes. Well, I think we did pretty well on that.

The Hon. MICK VEITCH: But Minister, seriously, if you look at the shearing industry and if you look at the average age of a shearer, regardless of COVID there is a problem that has been known for quite some time about the capacity to shear our national flock—the flock in New South Wales. So some of this did not really creep up on us, it was already well in train and already a long-term problem that needed some action even before COVID. I understand and appreciate—

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Mr ADAM MARSHALL: You are right. And to go to the shearing issue, you are dead right. The industry has become incredibly reliant on contractors coming across from New Zealand. And, in fact, New Zealand has become increasingly reliant as well on the Australian wool industry—

The Hon. MICK VEITCH: Going over.

Mr ADAM MARSHALL: —to come over here and make money. It is part of their individual business model. So not only has COVID caused our producers to suffer, I dare say it has also caused a hell of a lot of shearing contractors on the other side of the Ditch to suffer as well because they have got many more shearers there than they need for their industry because they rely heavily on business over here. I do not know why more people do not get back into shearing. It is a great profession, as you know.

The Hon. MICK VEITCH: Get back into shearing? I can guarantee that I am not going back to shearing, Minister.

Mr ADAM MARSHALL: These days, having spent not as much time as you but a fair bit of time recently in a number of shearing sheds—the conditions today, thankfully, are a lot better than they were when you were a youngster.

The Hon. MICK VEITCH: I accept that.

Mr ADAM MARSHALL: But it is still very physical—

The Hon. MICK VEITCH: It is a very, very difficult hard-labouring job in all aspects.

Mr ADAM MARSHALL: This is the big issue. COVID has seen unemployment rates and underemployment rates lift. We all know that. I am not going to get into the politics of that. It is a reality across every State, every jurisdiction. There seems to be a reluctance on the part of a large portion of Australians to undertake some of this physical work, to go and pick fruit, to go and work in an abattoir, to go and shear sheep. It is not for lack of remuneration. These jobs are very well paid. If you want to go in completely unskilled, having never even picked up a knife, you can be trained up by a meatworks and work on the boning room floor in less than a month, earning some very good money. Yes, you have to stand on your feet for eight hours at a time, but it is—

The Hon. MICK VEITCH: It takes more than a month to learn to become a shearer.

Mr ADAM MARSHALL: No, I recognise that. I am really glad that we are beginning to see some new shearing schools pop up across regional New South Wales in partnership with, in a lot of instances, DPI and using DPI facilities. We have a lot of that infrastructure on site and a lot of sheep that we are using in other trials that can be used and shorn by students who are learning, and we are partnering with TAFE and Australian Wool Innovation to at least make the training available for people to take advantage of it.

The Hon. MICK VEITCH: Minister, NSW Farmers brought out a five-point plan, which, no doubt, you would have seen. They showed us as well, so no doubt you have seen it. There is a fair bit of merit in their approach. You agree?

Mr ADAM MARSHALL: Absolutely, yes. I am aware. I meet with them regularly. When their five-point plan came out, I was very pleased. It was very close to the draft one that I had seen.

The Hon. MICK VEITCH: Is there merit in implementing it?

Mr ADAM MARSHALL: Yes, absolutely. Our quarantine system for overseas workers in New South Wales, we are actually looking to refine that. We are always looking to refine it and make it easier for industry. A number of those measures are currently being considered by government.

The Hon. MICK VEITCH: I had a harvest contractor talk to me about the merits of the Queensland quarantine system. Have you looked at that system?

Mr ADAM MARSHALL: I have extensively. On the surface it looks good, Mr Veitch, but when you get into the detail and you talk to the job providers, which are essentially the middle people who source the seasonal workers and the people through the Pacific Labour Scheme in the Pacific Islands—their experience is anything but favourable. For your benefit and the Committee's benefit, Queensland has an on-farm quarantine system as well as a hotel quarantine system, which sounds great. But for the on-farm quarantine, they have only accredited a limited number of farms and they place very strict requirements: a minimum of 40 workers to be accommodated on a farm and a maximum of 80. The conditions that they are required to be accommodated in are quite high. The Government then has to send out the agencies to regularly inspect those facilities. The job agencies that I have been talking to inform me that it works out at more than \$4,000 per worker, the cost of quarantining them on a farm in Queensland, because of those extra overhead costs.

CORRECTED

Likewise, bringing workers in via Brisbane through the hotel quarantine system—the Government there, I am advised by these job agencies, limits the number of workers that can be brought in to 10 per cohort, which makes it very difficult to get a charter flight or a commercial flight for only 10 people at a time. So their system, they think, is not ideal. They love the fact that in New South Wales seasonal workers, Pacific Labour Scheme workers, are not part of the 3,000 cap. We can take 3,000 returning Australians a week and an unlimited number of agricultural workers above that cap. We got National Cabinet to agree to that. Once they are quarantined in New South Wales, we permit them to travel anywhere in Australia. In other States, they just say, "If you bring them into our port, they must work in our State," where we have said, "Once they quarantine and they have done their 14 days, they can go"—

The Hon. MICK VEITCH: I think the South Australians, the Victorians, the Queenslanders are all trying to address their own respective—

Mr ADAM MARSHALL: Yes. Everyone gets parochial. I do not need to get into it. This whole COVID thing has shown the failures of our wonderful Federation as well as the benefits.

The Hon. MICK VEITCH: That is that process. Going forward from here, you spoke about the shearing schools?

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: It takes quite a while to not just obtain the skills but also the physical fitness to work in the shearing industry. So there is clearly a period of time before we can get anywhere near meeting the requirements of our shearing workforce. The contract harvesters—this time around we used some displaced airline pilots to go out and convert skills to operating those very large, expensive harvesters. But again that was a short-term fix for what is quite a long-term issue. They are very skilled parts of the agricultural workforce that require a longer term fix. What is the longer term fix your Government is putting in place, Minister?

Mr ADAM MARSHALL: I am happy to advise, Mr Veitch, that in my discussions with the Minister for skills, the Hon. Geoff Lee—

The Hon. MICK VEITCH: He didn't go too well the other day, I hear. Anyway, keep going.

Mr ADAM MARSHALL: I don't know. Has he been on already?

The Hon. MICK VEITCH: Yes.

Mr ADAM MARSHALL: In my discussion with him, I have been raising the issue of skilling. We have got to provide training opportunities or the opportunity for people to get into the industry and remove any barriers. The frustration is that you cannot force people to become a fruit picker, you cannot force people to become a shearer. But you can certainly provide every opportunity for people that might be interested to get trained or get skilled. I was very pleased that Minister Lee agreed with my request to provide another—I think it was \$20 million, Mr Hansen, in the agri-skilling program. We are actually broadening it beyond just the cropping industry. Now it covers all agricultural industries. We can use that bucket of funds to essentially address key labour shortage issues, short, medium, longer term, and develop some tailored programs to address that. What I offered as well is not just a request for funding to Minister Lee but saying we have a huge amount of physical infrastructure at our research stations and at Local Land Services facilities where we could actually do the training. If TAFE does not have the practical facilities, we probably have them. We have the cattle yards, the crushers, the shearing sheds. We have the glasshouses to do all this work.

The Hon. MICK VEITCH: I think maybe you and I should step into the shearing shed at some stage, Minister, and help out.

Mr ADAM MARSHALL: I reckon you would get around me pretty easily. I have shorn two sheep in my life, and I am not sure the first one is still alive. There were a few nicks and cuts.

The Hon. MICK VEITCH: All jokes aside, this is actually quite a serious issue.

The Hon. CATHERINE CUSACK: We have Animal Justice here.

Mr ADAM MARSHALL: I know. I probably shouldn't have said that.

The Hon. MICK VEITCH: I am going to explore this further this afternoon with the public service and Mr Hansen.

Mr HANSEN: It is \$15 million.

Mr ADAM MARSHALL: Fifteen. I apologise.

CORRECTED

Mr HANSEN: As the Minister said, it is expanded beyond the cotton and cropping sector to include the horticultural sector.

The Hon. MICK VEITCH: Minister, were you taken by surprise by the Treasurer's announcement at budget time about the land tax and stamp duty reform?

Mr ADAM MARSHALL: You mean the discussion paper contained within the budget?

The Hon. MICK VEITCH: Were you taken by surprise?

Mr ADAM MARSHALL: I am a member of Cabinet, Mr Veitch, but I cannot disclose any discussions that occur within Cabinet or any Cabinet discussions.

The Hon. MICK VEITCH: I am not asking you to do that.

Mr ADAM MARSHALL: For me to answer that question, I may have to traverse some of that territory.

The Hon. MICK VEITCH: Very clever. Minister, it is clearly quite a serious issue of discussion right now among the farming fraternity. There has been some comment about exempting farmers from the process. Not pre-empting the discussion paper, but subsequent to the public announcement or the public release of the document, have you had discussions with the Treasurer about the possible implications of this reform on the farming sector?

Mr ADAM MARSHALL: The possible implications of a possible reform. It is just a discussion paper. There has been no clear policy determination by government.

The Hon. MICK VEITCH: But it is safe to assume there would be.

Mr ADAM MARSHALL: Yes. I have had numerous discussions with a number of my Cabinet colleagues about the issue and will continue to do so, as have I with individual farmers, farming industry representatives and the NSW Farmers Association. What I am interested in is making sure that we as a sector can make some very strong submissions about the practical implications, should what was produced in the discussion paper actually come to fruition. There is no guarantee at all that it will. If you look at the Treasurer's public comments, it is simply an option, if you like, that has been floated to see what people think of it, and the Government will reflect on that and make a decision.

I am not concerned that that is going to be locked in, and even the proposal itself is proposed as an opt in. Certainly, I am working very closely with NSW Farmers and others, and my own party room colleagues, to make sure that we put a very strong not just political case but also a strong technical case to demonstrate what the impacts of that could be if implemented. It will not be a surprise that the impacts vary depending on an individual's circumstances very much. I just want to make sure that we put our best foot forward and put a very clear technical position forward on that.

The Hon. MICK VEITCH: Minister, does that mean you have tasked your department with bringing that technical advice?

Mr ADAM MARSHALL: That will occur in due course. But I have been working with the Farmers Association and other farming groups, inviting them to essentially provide information—individual case studies and things like that.

The Hon. MICK VEITCH: In a recent meeting with the NSW Farmers Association, they flagged a number of concerns about how this, if applied, would actually work for the sector. No doubt they are putting those same concerns to you because they are fair and balanced in their interactions with all sides of politics.

Mr ADAM MARSHALL: Absolutely they are.

The Hon. MICK VEITCH: The way this is being sold out in regional New South Wales is that it is a discussion paper, but that there is something going to happen out of the discussion paper. We would not be going through this exercise for a nil effort. That is essentially what is the deduction being made by many, but you are saying that is not the case?

Mr ADAM MARSHALL: I am saying that, as the Treasurer said publicly, it is a discussion paper. The Government could choose to adopt what is in the discussion paper, it could choose to do absolutely nothing and maintain the status quo, or something in between. That will be a matter for Government to determine. As agriculture Minister, you will appreciate the fact that I am a little bit one-eyed. I am just interested in making sure that the interests and the voice of the agricultural sector are appropriately heard, and their views and potential impacts considered as part of those deliberations that Government will have.

CORRECTED

The Hon. MICK VEITCH: As a part of the work that has been tasked to your department preparing the technical advice and the modelling, are you looking at the potential impacts on pricing of farms for new entrants to the farming sector?

Mr ADAM MARSHALL: Yes, absolutely. It is an issue that gets raised from time to time. Certainly, at the last NSW Young Farmers Business Program gathering in Dubbo, that was an issue raised, about the cost of getting into, as a new entrant, as a youngster, agricultural land, into agriculture, that is right. One issue that has caused a lot of concern is that opt-in provision because if I own my property and I opt in, and you buy, Mr Veitch, my property after me, then my decision locks you in and locks in every subsequent owner because that is locked in and part of your title.

The Hon. MICK VEITCH: That is the next line of questioning. Yes, that is one of the concerns being raised.

Mr ADAM MARSHALL: Yes. That is a big concern, and understandably as well.

The Hon. MICK VEITCH: A legitimate concern.

Mr ADAM MARSHALL: I think everyone loves the idea of being able to opt in for their individual circumstances, but that could in turn affect the value of your property when you put it to market if the next person that may be looking to buy your property that that option you chose does not suit their financial circumstances.

The Hon. MICK VEITCH: And the business models and the arrangements on every farming enterprise are different.

Mr ADAM MARSHALL: Yes, absolutely.

The Hon. MICK VEITCH: In some instances that would be accommodated and in other instances that would make it difficult, but the real issue here is about getting new entrants into the farming sector. It is an issue that has been raised a lot in recent years.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: One of the other things that this goes to, as is often explained to me, is the continual increase in costs of farming. Rates are going up. In some parts of New South Wales where there are merged councils, they are talking about upwards of a 60 per cent increase in rates. There are issues around the cost of electricity, so the inputs to farming are also going up. There is a concern about how this would actually fit in that for-cost mix.

Mr ADAM MARSHALL: Yes. Keeping in mind—and I think it is important to remember—that most property transactions occur when a property is passed down through a family. Of course, they are exempt from stamp duty those transactions—

The Hon. MICK VEITCH: That is the generational transfer.

Mr ADAM MARSHALL: Generational transfer is already exempt. I am not downplaying what you are saying, I am just putting that in perspective, that most transactions occur intergenerationally now and therefore are exempt. The issue of your rate rises—you and I both know from our time in local government that while a local council can apply for a rate rise, it has to go through IPART. And even if it does, councils are free to establish their own rate policies to determine what percentage of their total rate they will take from each rate category. They could, for instance, decide to give the farmland rate category a break and whack it all on the residential or commercial rate category.

The Hon. MICK VEITCH: Harmonisation. I do not think that is how it works.

The Hon. EMMA HURST: Where we left off we were talking about councils feeling like there were some gaps in the legislation to allow them to reject some of these large-scale puppy breeding facilities. You mentioned the Minister for planning and areas there, but the councillors that I have spoken to, and I guess they are looking at restrictions in other States that actually put a cap on the number of breeding dogs in any one facility. I know that you mentioned a cap before. Given in New South Wales that someone could technically open up a breeding facility with 600 dogs, do you consider or are you considering at some point applying a cap in New South Wales?

Mr ADAM MARSHALL: I am not presently considering a cap, although that might be an issue that comes out of the other end of the hopper from the animal welfare law review that is currently underway and currently out there in the public domain. This is an interesting point, Ms Hurst, and I am glad you raised it because it was an issue that was canvassed in great detail by the joint select committee on the breeding of companion

CORRECTED

animals back in 2015, of which Mr Pearson, your fellow counterpart, was a member. In fact, I remember it vividly because I chaired that inquiry myself.

One of the key findings of that inquiry was that the number of animals that are held at a breeding facility in no way, the committee could find no evidence that it actually, impacted on the animal welfare outcomes. That was a unanimous report adopted by Mr Pearson, so for the Government to vary from that—not saying that we would not, but there are no present plans, although it could be an issue that is subject of that review that is currently underway. Whether or not there were caps on the number of animals that could be held at a breeding facility does not change the fact that the local council—I am not sure even with this application if the local council would be the consent authority or the Joint Regional Planning Panel would be determining the authority but, regardless, it would still have to go through the planning system.

The Hon. EMMA HURST: Minister, you mentioned the 2015 inquiry that you chaired. There was also a recommendation made in that inquiry that if laws changed in other States, that we should review our laws here in New South Wales. Considering the change that has happened in Victoria and the reports of more puppy farms setting up on the border into New South Wales, are we reviewing the laws or is there going to be a move to review the laws?

Mr ADAM MARSHALL: As I have already answered, there is a review underway right now.

The Hon. EMMA HURST: But on this specific issue? Is this going to be highlighted as part of it as per the recommendation from your inquiry?

Mr ADAM MARSHALL: It all depends on the nature of the submissions. Obviously, that will be a deliberation for Government and the Parliament. I have been quite open about this, in fact, in a second reading speech I gave in the Legislative Assembly, that one of the challenges—certainly in this portfolio, but really for this Parliament before the end of this calendar year—will be grappling with new animal welfare laws in this State. I know on this Committee there are very divergent views on the nature of those laws and how they should be enforced, as I am sure there will be within Government and within the Parliament in general. It is something that I am determined to address and modernise. POCTAA was established in 1979, the exhibited animals Act not much longer after that, and the Animal Research Act not long after that. We need to bring all of those pieces of legislation together in one modern welfare regime.

The Hon. EMMA HURST: Thank you, Minister. Sorry to cut you off.

Mr ADAM MARSHALL: No, you are right. It is your time.

The Hon. EMMA HURST: I have spoken to you a lot about that process in the past.

Mr ADAM MARSHALL: Yes.

The Hon. EMMA HURST: In my consultation with vets and other experts, they have also recommended a cap on the number of litters that a female dog should have, for various welfare reasons. Have you considered or do you support a legislative cap on the number of litters per female?

Mr ADAM MARSHALL: Again, that would be subject to the review. As Minister, given that I am not a veterinarian, I would be guided by good science in relation to making any policy or legislative decisions around that.

The Hon. EMMA HURST: Following on from some of the questions earlier from the Chair about the breeding code, do you consider the New South Wales code for breeding cats and dogs an important tool in ensuring the welfare of animals?

Mr ADAM MARSHALL: Yes. It is one of the tools, yes.

The Hon. EMMA HURST: I have heard from a number of small-scale breeders that they actually support the implementation of a code in the industry. They say it is important to ensure that backyard breeders are not damaging their business reputations and also, obviously, causing harm to animals. They also feel that this code is out of date and needs updating. I believe the RSPCA has voiced some similar concerns in the media. How do you respond to that?

Mr ADAM MARSHALL: The current code has been in place since 2009 and has been unchanged, to the best advice I have received, since that time. I have not received any representations that I am aware of from the RSPCA—or, indeed, any of the enforcement agencies—to amend that code but I am always open to that. I have received a number of representations—as, I am sure, other members of this Committee and Parliament have—from members of Dogs NSW and other breeders across the State. I have asked the Department of Primary Industries to put together a document, which will be made public, which will be provided to the enforcement

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agencies as well as all breeders and any member of the public to clarify the intent of the code and the intent of the policy to remove any suggestion or any potential ambiguities in the intent or the interpretation or, indeed, the enforcement of the code. For example—and Mr Banasiak may raise this later—I have had representations from people saying that they have been fined by enforcement agencies for not having a fire extinguisher at their breeding facility when, in actual fact, the code does not require a breeder to have a fire extinguisher. It just requires them to have firefighting equipment—

The CHAIR: Or a two-metre-high fence for a Chihuahua.

Mr ADAM MARSHALL: —which could be a garden hose that is connected to water. Those are the sorts of things—those anomalies or those potential ambiguities—I am asking the department to address to make it clear so everyone knows what the rules are and we do not have these potential inconsistencies across the State.

Mr JUSTIN FIELD: Good morning, Minister.

Mr ADAM MARSHALL: Good morning.

Mr JUSTIN FIELD: I wanted to talk about marine parks, if I could. What is the status of the regulation to finally implement your amnesty in the Batemans Marine Park?

Mr ADAM MARSHALL: Thank you, Mr Field. That regulation is being considered by the Marine Estate Management Authority [MEMA] at the moment. We have the chair of MEMA here, who might be able to provide you with some detail around the actual time frame of that and how long they will take.

Mr JUSTIN FIELD: I appreciate that. We might do that after lunch, if that is alright. I would be happy to go into that in more detail.

Mr ADAM MARSHALL: Yes, you can. Just for your benefit, the process is—

Mr JUSTIN FIELD: A draft regulation is with MEMA.

Mr ADAM MARSHALL: Yes. MEMA will be considering that very shortly. They will deliberate on that and conduct all the consultation that is required under the Act, and then they will provide their report/recommendation to both Minister Kean and myself.

Mr JUSTIN FIELD: At that point, it will go through the concurrence process. Environment, Energy and Science [EES], I assume, will also give independent advice to Minister Kean—whatever their process is there.

Mr ADAM MARSHALL: Whatever their process is.

Mr JUSTIN FIELD: At that point, though, we will see it come for public consultation formally. The regulations will be put out as a draft for consultation.

Mr ADAM MARSHALL: Yes. MEMA will also conduct its work and consultation in accordance with the Act as well.

Mr JUSTIN FIELD: That is an internal process, right? That is not a public consultation process with MEMA.

Mr ADAM MARSHALL: All provisions that are required under the Act will be followed.

Mr JUSTIN FIELD: There is an update on the marine park management planning process on the marine estate management website. I understand it is probably maintained by the department, but there are interactions with MEMA. So if it is appropriate for me to redirect these questions, please let me know.

Mr ADAM MARSHALL: Yes, sure.

Mr JUSTIN FIELD: It states:

Building on pilot work that started in Batemans and Port Stephens ... New plans will be developed in accordance with the Marine Estate Management Act 2014.

These pilots have been in train for some period of time, but it suggests that the pilot work is now finished. Is that the case? Has the pilot work for Batemans and Port Stephens concluded?

Mr ADAM MARSHALL: No. The work at Port Stephens is certainly ongoing. What that will be referring to, Mr Field, is a larger piece of work which Mr Sloan and his team are leading to look at the management of all the marine parks as one marine estate and doing a review of all of that estate—the priorities, the management practices—in one go, rather than doing it in a piecemeal way, if you like. Mr Sloan, can you provide an update?

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Mr JUSTIN FIELD: Sorry, just to confirm: You are doing a statewide review of marine parks, not a marine park by marine park review—is that what you are saying?

Mr ADAM MARSHALL: No. We are undertaking the review of the Port Stephens marine park in accordance with the election commitment. The department is then doing, also, a broader piece of work about the whole marine park estate.

Mr JUSTIN FIELD: So they will not be individual reviews about Jervis Bay, Coffs and Byron; they will be part of a broader statewide review process—is that right?

Mr ADAM MARSHALL: Yes, that is right.

Mr JUSTIN FIELD: I am not sure that the public are aware of that up to this point.

Mr ADAM MARSHALL: Another announcement.

Mr SLOAN: I can clarify that, Minister. The Act actually provides the option of doing individual marine park plans, or it provides the option to do a network plan. At the moment, what we are consulting on with the marine park advisory committees is doing one large network plan, but having a specific section for every individual marine park. It is an option that is available under the Act and it gives us the opportunity to bring some consistency to parks where we need to and also focus on the individual local issues. That is the approach that we are literally consulting on at the moment with marine park advisory committees.

Mr JUSTIN FIELD: This has been a movable feast now for about a decade, Minister. These pilots were first flagged to be completed in 2018. We are still going, and now the suggestion is it is being wrapped into a statewide process. Why would you not just incorporate the Batemans work and the Port Stephens work into the whole marine estates process, instead of having this sort of piecemeal activity going on down south? You have this amnesty in place creating uncertainty. Port Stephens has been made an election commitment. It seems like a dog's breakfast and there are no outcomes. There are thousands of pages of documents and no outcomes.

Mr ADAM MARSHALL: I do not think the amnesty has created uncertainty. It has created a lot of certainty. It is very clear.

Mr JUSTIN FIELD: It is very clear that people are allowed to break the law under your Government and you take no action. That is what it means. You have been sitting on it for a year now with no regulation to enforce it. The Parliament sets the law, not the Executive, by the way, Minister.

Mr ADAM MARSHALL: That is your opinion, not mine.

Mr JUSTIN FIELD: Have you got legal opinion to suggest that your amnesty has legal standing, given that it actually runs counter to the Act in New South Wales?

Mr ADAM MARSHALL: Mr Field, I know you have a particular view about the amnesty and I respect that.

Mr JUSTIN FIELD: About legislation in New South Wales that says you cannot fish in marine sanctuaries? Yes I do, Minister.

Mr ADAM MARSHALL: Yes.

Mr JUSTIN FIELD: Have you got legal advice about the legal status of your amnesty?

Mr ADAM MARSHALL: I have numerous pieces of advice from my department.

Mr JUSTIN FIELD: Have you got any legal advice?

Mr ADAM MARSHALL: The department may have some legal advice. I am not sure.

Mr JUSTIN FIELD: Mr Hansen, have you had legal advice about whether the amnesty actually would hold up legally, in terms of compliance with the Act?

Mr HANSEN: The advice we have would replicate the advice that was given with regard to the amnesty provided around ocean beaches and headlands in which, when government has made a policy announcement and is going through an investigation as to the regulatory appropriateness of those changes, they can give direction to an agency not to enforce those pieces of requirements that would otherwise be deemed to be legal activity should the regulatory changes be put in place. So if government has not—

Mr JUSTIN FIELD: I guess there is a judgement to be made about how long that can drag on before it is just taking the piss out of the system, right?

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Mr HANSEN: Definitely, which is why monitoring and making sure that the current assessment by MEMA—which, to your point earlier, actually includes our fellow counterparts from across other agencies. That consideration in a timely fashion is going to be important.

Mr JUSTIN FIELD: I might come back to this with Mr Sloan in the afternoon session.

The CHAIR: While the secretariat is passing down a document for you; picking up on that point, have you gone snorkelling with Matt Kean and Andrew Constance yet? Has that happened?

Mr ADAM MARSHALL: No.

The CHAIR: You have been stood up?

Mr ADAM MARSHALL: I did not know that I was going.

The CHAIR: Yes. He invited you and Mr Constance to go for a snorkel down there.

Mr ADAM MARSHALL: I have never been invited to go for a snorkel.

The CHAIR: You have been stood up.

Mr ADAM MARSHALL: I am more of a land dweller, freshwater person.

The Hon. SAM FARRAWAY: Who would have thought you would be asked about snorkelling.

Mr ADAM MARSHALL: I know.

The CHAIR: You have some documents in front of you, Minister, and for everyone's reference they are documents that come out of the SO 52 call on the Barclay report. They are being photocopied for everybody but we have broken the photocopier, so well done us. I have numbered them for you. We are starting with item 389 in the top right-hand corner.

Mr ADAM MARSHALL: Yes.

The CHAIR: This is an email from Kate Burford to Peter Goth. It states that Darren Reynolds and his team have made little headway in correcting misunderstandings around the benefits moving into quota fisheries. What are those apparent misunderstandings that they were struggling to make headway with?

Mr ADAM MARSHALL: I have no idea, Mr Chair. I am seeing this for the very first time. I do not know the background to this email or what they could be talking about.

The CHAIR: Would you like to defer to anyone?

Mr ADAM MARSHALL: Yes, Mr Hansen might or Mr Sloan.

The CHAIR: If you are unsure we can take it on notice and move on.

Mr HANSEN: None of us is obviously copied in on this or have seen it, and hence certainly the Minister and I cannot make any comment on it.

The CHAIR: What would Ms Burford mean when she says that "they are planning to draw a line under the project"? What would that mean?

Mr HANSEN: Between the first draft of the report there was identified a number of errors in calculation using the numbers—some of the numbers that we had provided and some of the numbers that they had ascertained. As you know, in this space it is easy to get numbers confused between different time periods using different segments of how you look at the data. They would have been going backwards and forwards with Professor Barclay with regard to the time series or the numbers and interpretation of those numbers. But obviously at a point in time the report just needed to be finalised and brought to a conclusion, which is what I would expect a comment like that would refer to, although obviously without having any other context other than what has been provided here.

The CHAIR: That "draw a line under the project", and your comments about that, is that tied in with the next statement where they say it has been "flagged on the DPI risk register"? Is that because you are unsure about what the accuracy is of those figures so you are putting it on a risk register? What do we mean by putting it on a DPI risk register? What is the risk?

Mr HANSEN: We always see a risk where incorrect figures are going to be presented into the—

The CHAIR: That is what that risk register is?

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Mr HANSEN: Correct, if there are any public reports that are about to become available for which we think there are errors or pieces that need correcting.

The CHAIR: If we go to item 478, which is about three or four pages in, it is an email exchange between staff within your department, particularly a Ms Leanne Wilson, who is a program leader for commercial fishing. She states:

- Provided more certainty for fishers to grow their businesses by the issue of over \$100 million worth of new shares.

Minister, you and I have been doing this dance for quite a while about this industry and we have never heard that figure of \$100 million-worth of shares. I am wondering where that figure has come from?

Mr ADAM MARSHALL: Yes. Well, it has come from this email.

The CHAIR: Other than that, what orifice has she pulled this figure from?

Mr ADAM MARSHALL: I do not know, is my answer. As I said, I have just been immediately presented with it. Unless Mr Hansen or Mr Sloan have an answer we would be forced to take it on notice, Mr Chair.

The CHAIR: Any idea where this figure has come from?

Mr HANSEN: No, but if we could take these on notice.

The CHAIR: Yes. Going to item 549, which is a spreadsheet of, looks like actions that have been taken within the department or things that have been going on within the department around commercial fishing, and then the business adjustment program. If we go down about three-quarters of the way there is 29 June 2017. It talks about targeted assistance post-market. When I have asked questions of you—

Mr HANSEN: Sorry, what page are you on, Chair?

The CHAIR: Page 549. It is hard to see. You will see a spreadsheet and we are looking for 29 June.

Mr HANSEN: Yes.

The CHAIR: It talks about targeted assistance post-market. When we have talked about this in budget estimates before and you have taken these questions on notice, you have come back not really understanding the premise of my question, and not understanding what I am meaning by post-market target assistance. That is a concern in itself. Clearly you do know what I am talking about. It says 18 people rang up post-market in minimum shareholdings that were unable to purchase shares. Am I correct in assuming that we are saying out of all of the reform only 18 fishermen missed out?

Mr HANSEN: Out of the subsidised share trading market? Is that the question?

The CHAIR: It seems like it is implying that only 18 fishermen missed out on obtaining the shares that they needed. You only called up 18 people because only 18 people missed out.

Mr HANSEN: To be able to continue to fish in a fishery that they have previously fished in before?

The CHAIR: Yes, or just in general to get their minimum shareholdings in what they were bidding?

Mr HANSEN: Which is the same thing, right, to get the minimum shareholding they needed to be able to continue operating in a fishery that they currently operated in.

The CHAIR: Or if they were diversifying into a new fishery, if they were buying into a new fishery?

Mr HANSEN: They would not have been captured in the same way.

The CHAIR: Okay.

Mr HANSEN: Someone expanding their business would not have been captured in that way.

The CHAIR: We are saying only 18 people missed out. You might need to take it on notice, only 18 people missed out in that circumstance that you just described?

Mr HANSEN: That is certainly what that line appears to say. But again, without the context of what this is, I would have to take it on notice, Chair.

The Hon. MICK VEITCH: This morning ICAC announced it will conduct a four-week inquiry into Mr Sidoti. Do you think he should now be formally removed from Cabinet?

Mr ADAM MARSHALL: I learnt a long time ago, Mr Veitch, that it is not wise to reflect on decisions that are beyond my control. That will be a decision that the Premier makes. After all, Ministers receive their commission from the Governor on the advice of the Premier, and no-one else. The Premier giveth and the Premier

CORRECTED

taketh away. I will leave it at that. Back to Monaro Farming Systems, I have some advice that you might be interested in. In relation to the questions I took on notice about my office being contacted or not contacted, first, I can advise that my office received follow-up representations from the Monaro electorate office in relation to other representation in early last year about Monaro Farming Systems, which is standard practice for outstanding items of correspondence. Second, my office has not been approached by Minister Angus Taylor regarding anything to do with Monaro Farming Systems. Third, my office has not been approached by Minister Bronnie Taylor in relation to anything to do with Monaro Farming Systems.

The Hon. MICK VEITCH: Thank you. On 18 June 2019 the Auditor-General released its biosecurity risk management report. I would like to go to a number of questions arising from that report. The first one is: Have you implemented all of the recommendations arising from that report?

Mr ADAM MARSHALL: My understanding is yes, the vast majority, Mr Veitch. Mr Hansen, can you confirm that?

Mr HANSEN: At that inquiry that was held, there was one that is still currently in play, and that is the development of a formal memorandum of understanding [MOU] with Environment, Energy and Science [EES], or with the Department of Planning, Industry and Environment [DPIE], with regard to our interaction in biosecurity responses across native fauna and flora, which is currently underway. It has been delayed in its time frame.¹

The Hon. MICK VEITCH: There is no MOU in place, but clearly your departments must be having dialogue with DPIE and EES?

Mr HANSEN: Regularly.

Mr ADAM MARSHALL: Yes, regularly, and conducting a number of shared biosecurity programs. Most readily comes to mind is the baiting for wild dogs or feral deer eradication, wild pigs. At a practical level there is a lot of collaboration, not just between DPIE and EES but it is mostly LLS, EES and National Parks

The Hon. MICK VEITCH: Have all of the recommendations of the Auditor-General's report been implemented bar one, as outlined by Mr Hansen?

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: Can we safely assume that the others are in place and they are working effectively?

Mr ADAM MARSHALL: That is my understanding, Mr Veitch.

Mr HANSEN: That is my understanding. I will just check that there were not any other ones that we have got in delay. In communications we have had with the inquiry into that previously, that was the one that we focused on in terms of delays and time frames.

The Hon. MICK VEITCH: There have been two detections of khapra beetle in overseas goods consignments?

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: African swine fever continues to spread internationally and we had contaminated meat detected in Australia at our Australian borders recently. Fall armyworm was detected in northern Australia earlier in the year and has now since spread to northern New South Wales, as I understand it, in September last year?

Mr ADAM MARSHALL: That is right.

The Hon. MICK VEITCH: Serpentine leafminer was detected in the State. I can continue. There is a serious issue around biosecurity in New South Wales.

Mr ADAM MARSHALL: There is, absolutely.

The Hon. MICK VEITCH: A couple of years ago we had issues with prawns coming down from—

Mr ADAM MARSHALL: Black spot—white spot, sorry.

¹ In [correspondence](#) to the committee, dated 29 March 2021, Mr Scott Hansen, Director General, NSW Department of Primary Industries, provided a clarification to his evidence.

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The Hon. MICK VEITCH: White spot, Minister. It is not just the agricultural sector.

Mr ADAM MARSHALL: No. I am glad you have opened this door.

The Hon. MICK VEITCH: There is a common misconception that biosecurity is just for the agricultural sector, but that is not the case.

Mr ADAM MARSHALL: It is not.

The Hon. MICK VEITCH: The Auditor-General's report highlighted a number of issues that had to be addressed. I have a longer list than the one I have read, if you want it. Minister, what faith can we have in biosecurity arrangements that have been put in place in New South Wales?

Mr ADAM MARSHALL: I have absolute faith in the New South Wales biosecurity arrangements. What I do not have much faith in is the Commonwealth biosecurity arrangements. Almost all of those that you raised have come into our country through a quarantine system that is supposed to stop those things entering our shores in the first place and take maximum advantage of the fact that we are an island nation. Fall armyworm came in from the north, the khapra beetle came in through packaging in shipping containers. Not only did the feds let khapra beetle into New South Wales at our port but it also let the same contaminated container go on a ship all the way to Western Australia to cart khapra beetles into that State as well. And it was not detected at New South Wales by the Commonwealth nor at the Western Australia end. I have had numerous discussions, as has my State counterparts, with our Federal colleague about the fact that we will continue as States to have to spend more and more on biosecurity if the Federal Government continues to abrogate its responsibilities. They removed the tax that it had on containers that were coming in on ships when they used to inspect them before they hit the docks.

The Hon. MICK VEITCH: So are you advocating bringing back that tax?

Mr ADAM MARSHALL: So are the NSW Farmers Association. Some of the cost has to be borne by those that present the greatest risk and a large proportion of all of those biosecurity breaches that you mentioned have come through our ports. Once it comes through the port, then it becomes the little old State government's responsibility, whether it is Queensland, New South Wales, Victoria or Western Australia.

The Hon. MICK VEITCH: I will now go to that little old State Government responsibility because it is quite substantial.

Mr ADAM MARSHALL: It is a huge responsibility.

The Hon. MICK VEITCH: We will move beyond the 2019 Auditor-General's report, which did not paint a very good picture about the relationships or the communication channels between respective agencies. When something like the fall armyworm is detected in New South Wales, the first agency on the ground is Local Land Services? Is that correct or do we have an army of biosecurity officers that we deploy immediately to wherever these outbreaks are? What is the process within the first 48 to 72 hours to address biosecurity breaches once they are detected?

Mr ADAM MARSHALL: I will ask Mr Hansen to run through them.

Mr HANSEN: A combination, and it depends on who is closest, who has got the capacity and the boots on the ground at any one place. So a detection of fall armyworm, for example, or Serpentine leafminer will result in deployment of both biosecurity officers within Local Land Services within that local region and deployment across regional boundaries, depending on the skill sets, who is available where and deployment of specialist technical expertise from within DPI and then a ramp up. That is your first way. That is in the first 24 to 48 hours. We then stand up an emergency management team. That emergency management team then reaches out to both LLS and DPI for trained individuals that we have in emergency management. We have in the vicinity of 600 to 700 staff trained to be able to respond.

We then build forward rosters, because quite often these events will last for months, and so rotating staff out of their normal day jobs into those activities for surveillance, communication, trapping or activities in the field with the collection of data, that is all done over that forward period. We have a robust and well-tested system that continues to be tested on a daily basis with the number of incursions we have into the State's borders. But we respond to incursions outside of our borders elsewhere within the Commonwealth. So we will deploy those same resources that we talked about that we have available to us to deploy in the field for our response. For example, we deployed them to the Northern Territory for citrus canker and for Panama disease up in Queensland because it is far better for us to be dealing with that in someone else's backyard and prevent the spread.

The Hon. MICK VEITCH: And also learning.

Mr HANSEN: Definitely.

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Mr ADAM MARSHALL: And avian influenza last year in Victoria to keep it out of New South Wales.

The Hon. MICK VEITCH: Minister, do you have sufficient resources to meet this biosecurity task that is before your agencies?

Mr ADAM MARSHALL: We could always do with more but I was very pleased that in the mini budget late last year our funding request was approved for an additional \$60 million on top of our normal recurrent funding to beef up biosecurity in response to a lot of those threats. I have also offered to my Federal counterparts that if States budget additional expenditure in biosecurity, it would be helpful if the Commonwealth did the same on a pro rata basis because it is not feasible—and this is not political, it does not matter who is in government—to make our national borders, our ports in particular, porous borders. No State on its own, or even collectively, has enough resources to shoulder all of the responsibility. The Commonwealth Government has a responsibility to maintain strong borders, regardless of politics, just to keep Australians safe, not just agriculture.

The Hon. MICK VEITCH: They should reinstate the container tax?

Mr ADAM MARSHALL: Yes. It was working fine. It just helped provide a revenue stream to keep the borders as safe as possible. No system is infallible, as you know. One area, can I say on a positive note, where there is very good collaboration—and it was started by the former Federal agriculture Minister Bridget McKenzie and the States—was on African swine fever where we actually have a very strong national task force, on which Mr Hansen and his team are playing a leading role, to make sure that we are doing everything we can to keep swine fever out of Australia. If it gets here, we have plans already in place to try to quarantine it and keep it at bay.

The Hon. MICK VEITCH: At what point do we go from eradication of a biosecurity threat to management of a biosecurity threat? Some of these things, in the early stages, quite rightly, you try to eradicate before they can spread—

Mr ADAM MARSHALL: Some things we cannot.

The Hon. MICK VEITCH: There must be a point where we say it is now out of our control and we have to go to managing the biosecurity threat.

Mr ADAM MARSHALL: That is correct.

The Hon. MICK VEITCH: What is the process for making that decision?

Mr HANSEN: Those calls are always made at a national level by a group known as the National Management Group. That is formulated under agreed First Ministers for either emergency animal disease response arrangements or emergency disease for plants arrangements. The National Management Group collects advice from consultative committees of experts of our chief plant protection officers or chief veterinary officers from across the States who pull together the evidence and the data as to whether it is still feasible for eradication, still feasible to maintain efforts to eradicate. One of the most painful decisions they make is when do you actually release and move to management? Once you get a pest at that management end of the biosecurity control spectrum, the return on investment for actually managing it is very poor. You can pour as much money you want into dealing with endemics and you get nowhere near the return on investment of that same investment up-front in actually eradicating or preventing in the first instance.

The Hon. MICK VEITCH: I think the Productivity Commission report into weeds a few years ago would highlight that trying to manage weeds is just a huge burden on the nation's productivity. Upfront early eradication would have been a much better way. There have been public media comments around cane toad sightings in the Sydney metropolitan area. Are those media reports correct and what are the agencies doing about that?

Mr ADAM MARSHALL: There certainly have been a number of sightings in parts of New South Wales where we have never picked them up before. But in Sydney I am not—Mr Hansen, I am not familiar with Sydney.

Mr HANSEN: Off memory we have had one or two detections and confirmed sightings, and toads captured in Sydney. Whether they have just hitchhiked a lift down here in terms of goods or vehicles—but it is an increasing frequency. We are seeing their natural expansion further south, and it is one that we are working in collaboration with LLS in terms of, again, an endemic problem of which we are trying to minimise the spread of through New South Wales. We are trying to keep on top of it by that early indication. I am conscious that I do not want to take up time that you have with the Minister, Mr Veitch, but I would love to come back to a further discussion about whether we can scale up enough to meet the challenges and responses that are required in biosecurity or whether we need to take a different approach to it.

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The Hon. MICK VEITCH: You may be foreshadowing some questions for this afternoon, Mr Hansen. Minister, with regard to the funding that you were talking about, did I hear you right that there has been an increase in funding for biosecurity?

Mr ADAM MARSHALL: Correct. An additional—

The Hon. MICK VEITCH: What is the quantum of that?

Mr ADAM MARSHALL: An additional \$60 million that is split across Local Land Services and DPI. That is for a number of targeted programs, some around research looking at new biological controls for weeds, for example, additional eradication programs—

The Hon. MICK VEITCH: Can you provide us with a breakdown of those on notice?

Mr ADAM MARSHALL: Yes, on notice.

The Hon. MICK VEITCH: But also, is that across the forward estimates or is it \$60 million just for the one year?

Mr ADAM MARSHALL: For two years—two financial years. And we are always asking for more, Mr Veitch, of course, as any Minister does.

The Hon. MICK VEITCH: I am happy to advocate for more money for biosecurity. It is a very common misconception that biosecurity is not—people just think it is agriculture. It is a broad range of matters.

Mr ADAM MARSHALL: It is understandable they do because it sits within the Department of Primary Industries, so they just think, "That is an agriculture thing." Like a good rugby league referee, good biosecurity means no-one really notices what you are doing because you are preventing things from happening that people never see—if it is done effectively and done well.

The Hon. MICK VEITCH: You will take that on notice and provide us with a breakdown of where they are?

Mr ADAM MARSHALL: Yes, sure.

The Hon. MICK VEITCH: At the completion of the two years do you expect there will be further funding in this area?

Mr ADAM MARSHALL: Certainly if I am still fortunate enough to be an occupant of this chair, Mr Veitch, I would be arguing as strongly as I could for a maintenance of that increased effort and even more. A lot of it depends on what happens at a Commonwealth level. I actually do seriously hold some fears about what we do, and not just for New South Wales. I talk on a regular basis with my Queensland counterpart, Mark Furner, and my new Victorian counterpart in particular, being the three largest mainland States—and we bear the brunt of most of this—about what we do if the Commonwealth does not really step back up to the mark. It is safe to say we are terrified about what could potentially happen. Even collectively, the three States do not have the resources to do our work plus the Commonwealth's job.

The Hon. MICK VEITCH: These concerns that you are raising about the Commonwealth's capacity to undertake the border protection that it is required to take, have you been raising these concerns at the respective Ministers' meetings?

Mr ADAM MARSHALL: Yes I have, at the respective agriculture Ministers' meetings. It is not just me. My colleagues like to refer to me as the one that goes first; I am willing to cop the bullets and then they follow up. I play one-out from the ruck and they run fast on the wing.

The Hon. MICK VEITCH: Minister, the one recommendation I think Mr Hansen spoke about from the Auditor-General's report, could you just provide on notice where that is up to? The memorandum of understanding [MOU] is not signed, but surely after the time that has gone by it must be close?

Mr ADAM MARSHALL: We will provide that on notice. But I just want to assure you and the Committee that that has not impeded, from my perspective as Minister, the on-the-ground strong working partnership between the respective entities.

Mr HANSEN: We will give you an update on all of those recommendations, if you like. As I said, the majority is completed.

The Hon. MICK VEITCH: That would be very good, thank you.

Mr HANSEN: There are a couple in which the time frames have been agreed to extend and to delay, but that is the one that is outside of its time frame, as far as I am aware.

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The Hon. MICK VEITCH: Minister, I have some questions now relating to the NSW Agriculture Commissioner.

Mr ADAM MARSHALL: Mr Quinlivan.

The Hon. MICK VEITCH: Mr Quinlivan, who I know we almost forgot to swear in this morning. When the former agriculture Minister announced the agricultural commissioner as an election commitment in the 2019 election campaign he said, "We will get onto it straightaway." Why did it take 18 months?

Mr ADAM MARSHALL: There was probably a number of reasons. There was a lot going on at the time and also we took some time to make sure that we got the right person to undertake the task. Since Mr Quinlivan has been appointed he has hit the ground running, working to review the right to farm policy, working on what I think is one of the most important issues—if not the most urgent, it is certainly one of the most important issues—being the interaction between agriculture and our planning system in terms of fragmentation or the diminution of the availability of agricultural land for primary production in New South Wales.

The Hon. MICK VEITCH: Minister, was the 18-month delay in the appointment of the NSW Agriculture Commissioner because you had a different view about the role to the former Minister for Primary Industries?

Mr ADAM MARSHALL: No, I do not believe so. How so?

The Hon. MICK VEITCH: I am trying to get to the bottom of why it took 18 months. It was an election commitment that you would get onto it straightaway, but it took 18 months.

Mr ADAM MARSHALL: I guess there was a lot going on in the portfolio when I came in, in terms of a drought and then there were bushfires. It was not a case that it was not important. It was an election commitment. The Premier made clear to all Ministers and indeed the public that the Government would deliver on all election commitments. There was not a time frame put on the appointment that it would be made in the first six months or the first 12 months, but we made it and we took the time to get, in my view, a very qualified, experienced and right person for the job.

The Hon. MICK VEITCH: We will come back to this.

Mr ADAM MARSHALL: Sure.

The Hon. EMMA HURST: Just going back very quickly to the breeding code, there was a lot of significant feedback provided about the breeding code in the inquiry that you had in 2015. I just wanted to ask if you would go back and review some of that feedback provided by the authorities and consider that in your clarification on the intent of the code.

Mr ADAM MARSHALL: Yes, we can do that.

The Hon. EMMA HURST: Thank you. I believe it was also a recommendation in your inquiry that there be a review of the code; perhaps that review would also help with that. Will there be an option for feedback when that goes public as well?

Mr ADAM MARSHALL: Yes. As part of the broader animal welfare review the code is obviously part of that. The code is made under the Prevention of Cruelty to Animals Act 1979 so it is part of that. Yes, that will definitely not only be made public, as it already has been, but also free for people to make submissions. I think from memory we have already received nearly 1,200 individual submissions in response.

The Hon. EMMA HURST: Sorry, I just meant that you said that you were going to make public a clarification of the intent of the code—

Mr ADAM MARSHALL: Sorry, you mean the document that Department of Primary Industries has put together? Yes, absolutely, that will be a public document.

The Hon. EMMA HURST: And that will be available for feedback before it is finalised?

Mr HANSEN: If I may, Minister, we would actually like to see it as a live document. If there are any questions or any other clarifications that need to continue to be made then we are happy to keep updating those questions and answers.

The Hon. EMMA HURST: Minister, I just wanted to quickly ask you about shark nets. Last year you announced an \$8 million strategy into new technologies to protect beachgoers from sharks, including the use of drone surveillance across 34 beaches in New South Wales.

Mr ADAM MARSHALL: Yes, it was \$8.8 million.

CORRECTED

The Hon. EMMA HURST: Do you think that these new technologies at some point in time will replace shark nets?

Mr ADAM MARSHALL: I do not know for certain if that is the case. Certainly the Government has a very robust shark management strategy, which it continues to fund year on year. It has been very, very happily received and accepted by all the communities that have access to it. What you are really asking me, are you not, is: Will the Government lift the nets on the 51 meshed beaches around Newcastle, Sydney, Wollongong?

The CHAIR: Another announcement.

Mr ADAM MARSHALL: The Government has no such policy and no such plan to do that.

The Hon. EMMA HURST: But last week Randwick council passed a motion and resolved to lobby the State Government to eradicate the current shark meshing program in their area. But it was reported in *The Daily Telegraph* that you opposed that motion. Is it something that, as these new technologies are proven to be more effective than shark nets, that that would be reviewed?

Mr ADAM MARSHALL: Look, I have not received any representations yet from Randwick council. I have seen the reports in the media. I think it is safe to say that in our shark management strategy we have world-leading expertise. In fact, the Department of Primary Industries is constantly being contacted by overseas authorities and indeed other State jurisdictions to tap into the research that we have been doing. It is not a case of you have nets or you have drones or smart drum lines. It is all about an integrated strategy.

There is no one thing that is the panacea and no strategy can ever completely remove risks to humans who choose to jump in the water. But we do the very best that we can and it continues to evolve as technology gets better and as we do more and more research. All I can say, Ms Hurst, in response to your question is that the Government has no plans to lift or take those nets away from any of those meshed beaches. But that is not to say that that will be the case for ever and ever because the world changes, community attitudes change, technology changes and so does our knowledge of sharks and how they interact with humans.

The Hon. EMMA HURST: I just want to ask you a couple of questions as well about hens. Does the New South Wales Government support national consistency in setting animal welfare standards within the poultry industry?

Mr ADAM MARSHALL: I think that would be ideal. National standards as a general principle are always ideal in the agricultural sector. Providing consistency for industry that conducts its activities across jurisdictional borders always make sense, but of course in New South Wales we would always reserve the right, as would every State, to make its own rules to defend the interests of its various industries or address various issues.

The Hon. EMMA HURST: I understand the independent panel is due to come back with its proposed standards and guidelines sometime very soon which will go to the ag Ministers for approval. If other States and Territories are supportive of those standards proposed by the panel, I understand you have just said that you would reserve your rights. But would that weigh considerably on your position, if other States were supportive?

Mr ADAM MARSHALL: Look, there would be a range of factors that weigh on my mind. I mean, obviously, like you, Ms Hurst, I am eagerly anticipating and awaiting the report from that body.

The Hon. EMMA HURST: Okay. But you will not be able to say that your intention would be to support those standards from the panel.

Mr ADAM MARSHALL: Well, I do not know what the standards are, so I cannot agree to support something which I have not seen it yet or has not been produced yet; nor would I blindly go into a meeting representing the people of New South Wales saying that if Victoria, South Australia and Queensland and Western Australia agree, then we would agree as well. I mean, we would make our own assessment.

The Hon. EMMA HURST: My question was more: Would that weigh on your decision? Would that influence your decision at some point?

Mr ADAM MARSHALL: It could. It could influence it positively or negatively. It depends on the contents of the report and what the various other States' positions are. But my primary consideration will be representing the best interests of New South Wales.

The CHAIR: Thank you. Just going back to those documents I presented to you, Minister—and this may be for Mr Hansen or Mr Sloan—when it is talking about the 18 people who rang up, it specifically states that none of these involved mud crab trapping shares. Why did whoever created this document feel a need to isolate mud crab trapping shares specifically in terms of this commentary?

CORRECTED

Mr SLOAN: So I can take that one. I will actually take the question on mud crabs on notice to give you the correct answer. But coming back to your previous question, Chair, on the 18 fishers, what I can say is that as part of the reform process there were four phases of buyout. The first phase was buyouts offered leading up to the subsidised share trading market. Phase two was where fishers could offer their businesses or all of their shares as a package in the subsidised share trading market. We had 597 fishing businesses register to participate in that process and 547 of those had at least one confirmed bid during that process.

Over 500 businesses adjusted or sold their business as part of the subsidised share trading market and the third phase were buyouts offered following the subsidised share trading market, which is where the numbers you referred to came from. So there were 18 fishers who tried unsuccessfully to buy shares during the subsidised share trading market to meet the minimum shareholding and there were nine fishers who offered their whole fishing businesses a package and, based on the price they offered, should have had that package bought during the subsidised share trading market, but they did not. So those two categories of the 18 and the nine were then prioritised for the next phase of the buyout, which was targeted assistance.

The CHAIR: Okay. When you say nine, do you mean the eight fishers that had a paradoxically rejected package offer? Is that what you were referring to?

Mr SLOAN: Correct.

The CHAIR: Was it nine or eight? You just said nine and this document says eight—just for clarity.

Mr SLOAN: I will have to double-check that. I am sorry. The figure in front of me is nine but I will check that.

The CHAIR: To assist Hansard and to assist everyone else on the Committee, what you actually mean by paradoxically rejected offer?

Mr SLOAN: My understanding of that term is that the subsidised share trading market is an algorithm and when the price that was offered by those businesses was made, that offer was made, it was a reasonable offer and it should have been taken up during that subsidised share trading market, but it was not because of the offers and the different bids that were in the system. So when those 18 businesses and the nine that I mentioned fell out they were then targeted—they were then set up for targeted assistance following the subsidised share trading market.

Mr HANSEN: Sorry, Chair. You must understand the reason why we are taking so many of these on notice. This commentary we are providing here is based on the 2016-17 financial year emails and information so, you know, we obviously did not come prepared to go back to 2016 in terms of some of this information.

The CHAIR: Yes. I understand. That is fine. The one fisher who was unable to confirm their package offer in round two through misadventure, could we just go to that?

Mr HANSEN: Sorry, which page, Chair?

The CHAIR: It is in that same row. It is one of the last sentences: "... one fisher who was unable to confirm their package offer in round two through misadventure". Is it not the case, according to the market rules, if you had an unsuccessful offer in round one, it would automatically be carried over into round two. So how would a misadventure in round two cause an issue if it was automatically carried over? Whatever they wanted to bid in round one got rejected, but in round two it got picked up. Why would a misadventure cause an issue?

Mr HANSEN: Sorry, you are going to have to help me narrow it down. Do you have a date in 2017?

The CHAIR: It is saying 29 June 2017, in that same row at the very last sentence. It says: "... and one fisher who was unable to confirm their package offer in round two through misadventure" and after that it says, "None of these involved mud crab trapping share classes".

Mr HANSEN: Yes. I will have to take that on notice.

The CHAIR: My understanding, from what I have been informed, that one person did not actually enter round one because of a personal misadventure but then was called up at the end of round one and was asked or encouraged to participate in round two. And whoever rang them up encouraged them to send through undated participation deeds and the department would fix from their end. So, perhaps on notice, can you confirm (a) who was making these phone calls so we can understand what they were saying and (b) whether that is the case that person was rung up who did not enter the market in round one, was then encouraged to enter the market in round two and told, "Send in the participation deeds with your name on it but just leave it undated and we'll fix it."

CORRECTED

Mr HANSEN: We might do that in reverse order of what you just outlined. We will actually find out whether what you have heard actually did occur or did not occur and, if it did, then what the context was and who was it.

The CHAIR: I am hearing that that was not an isolated case, so if you can find out whether that occurred more than once that would also be great.

Ms ABIGAIL BOYD: I want to follow up from my colleague Ms Hurst's excellent questioning around the problematic code of practice for breeders that is causing so many problems at the moment that we are reading about in the news. Why is the reform of that code of practice two years behind?

Mr ADAM MARSHALL: The code itself? I am not aware that it is two years behind—the reform of the code.

Ms ABIGAIL BOYD: I am just looking at your department's Animal Welfare Action Plan and section 2 on implementing companion animal breeding practices reforms. It states:

Introduce revised standards and guidelines for animals in pet shops and breeding dogs and cats ...

That was scheduled for 2019.

Mr ADAM MARSHALL: The actual review of the animal breeding code is all part of the whole animal welfare review, POCTAA, exhibited animals Act, Animal Research Act and, yes, it is behind what was indicated by the department. It should have been done and I made that quite clear in a couple of speeches I gave in the Legislative Assembly about why those delays had occurred—essentially because the Government and certainly myself as Minister are determined not to rush this. This is a very sensitive area of public policy. There are very strong views that are held by people across the broad political spectrum and in the community.

But what I have made clear, and I will say it again to this Committee, is that that whole process will be concluded and culminate in fresh legislation coming into this Parliament this calendar year to modernise our animal welfare laws to what will be the animal welfare Act 2021, for example. We will not have three pieces of legislation and various codes that have been banded since 1979. We will have one consolidated animal welfare Act that will cover all animal welfare from animal research through to exhibiting animals at amusement parks to bread-and-butter prevention of cruelty issues.

Ms ABIGAIL BOYD: Although that part is behind, and you acknowledged there were some aspects of that Animal Welfare Action Plan that are behind, do you still believe you are on track to introduce that revised animal cruelty legislation?

Mr ADAM MARSHALL: Absolutely. I gave that commitment in the Legislative Assembly; it would have been only a month ago.

Ms ABIGAIL BOYD: What regard have you paid to the recommendations from the Select Committee on Animal Cruelty Laws in New South Wales in framing that new legislation?

Mr ADAM MARSHALL: The legislation has not been framed as yet; that is the point of the large-scale consultation that has already attracted nearly 1,200 submissions. It is a case of everything is on the table. Everyone is welcome to submit their views and ideas. Every review, report, piece of documentation that has been written in recent memory in relation to animal cruelty laws in New South Wales, also looking at other jurisdictions in Australia, is all—excuse the phrase—sort of fed into the hopper.

Ms ABIGAIL BOYD: Do you believe that your Government response to that thorough inquiry by the Select Committee on Animal Cruelty Laws in New South Wales was sufficient?

Mr ADAM MARSHALL: Yes, I do because all of those findings and recommendations will be, as I said, given due consideration as part of the overall review which is underway right now.

Ms ABIGAIL BOYD: When you talk about modernising animal welfare legislation, would you agree that it is a now antiquated idea to have agriculture Ministers in charge of animal welfare?

Mr ADAM MARSHALL: That is not a decision for me. That is a decision that is made by the Premier and probably the Deputy Premier in terms of the allocation of ministry and the allocation of Acts and the administrative orders and the machinery of government arrangements. I learnt a long time ago, as I said to Mr Veitch, not to question how or why but I take on any task that I am asked to do. I give it my absolute best and try and administer the portfolio as best I can.

Ms ABIGAIL BOYD: Of course, but do you believe that there is sort of an inherent conflict of interest between your agriculture responsibilities and your animal welfare responsibilities?

CORRECTED

Mr ADAM MARSHALL: No, I do not.

Ms ABIGAIL BOYD: Do you share the view of some that animal welfare is the equivalent of quality of stock?

Mr ADAM MARSHALL: No, I am not familiar with that term; I am not quite sure what that means.

Ms ABIGAIL BOYD: Basically, this is the thing we hear a lot of in inquiries where we get representatives from agriculture telling us that they are fully on board with animal cruelty laws because they love their animals and it is very important for them to look after their animals because that is how you get good quality of stock.

Mr ADAM MARSHALL: That is one aspect but not the sole determiner.

Ms ABIGAIL BOYD: Do you believe that you, as the Minister, are capable of also adopting that more modern approach to animal welfare that actually is reflected now in the broader community, which sees animals as much more than just stock?

Mr ADAM MARSHALL: The current laws passed by this Parliament in 1979 already do that. They recognise that animals are sentient beings. In fact, the whole premise on which prevention of cruelty to animals legislation is based is the fact that animals are sentient beings, otherwise there would be no need to have prevention of cruelty to animals legislation.

Ms ABIGAIL BOYD: Do you think it is fair to say that the delay by your Government in reforming animal cruelty laws comes from a devaluing of the animal welfare portfolio by putting it within the Agriculture portfolio?

Mr ADAM MARSHALL: No, not at all.

The Hon. MICK VEITCH: We left off with the Agriculture Commissioner; I might just pick up from that conversation that we were having.

Mr ADAM MARSHALL: Sure.

The Hon. MICK VEITCH: There was a \$2 million election commitment and the Government's submission to the Parliamentary Budget Office [PBO] says:

The Agriculture Commissioner will be empowered through legislative and regulatory means to implement and enforce the 2015 Right to Farm policy.

That was the PBO submission from the Government. Have those legislative and regulatory means been put in place to allow the commissioner to achieve that goal?

Mr ADAM MARSHALL: The commissioner has all of the legislative and regulatory means that he needs at his disposal to do his job as it is currently. As I have said both publicly and to the NSW Farmers Association, I have never ruled out introducing legislation for that particular role if it is required. It is just a case, Mr Veitch, that at the moment and in certainly the short term there is no requirement for any legislation to allow the Agriculture Commissioner to do the work that he is currently doing. That is not to say that will not be the case in the future, but at the moment he has everything at his disposal. You could ask him yourself if you like.

The Hon. MICK VEITCH: Later on this afternoon. Can you give us an example of what would be a trigger to change that legislative arrangement?

Mr ADAM MARSHALL: I could not give you an example off the top of my head, Mr Veitch. But suffice to say that the Agriculture Commissioner is reviewing the Right to Farm policy from 2015, also looking at the Right to Farm Act which was passed by this Parliament and looking at those other more broader, I guess, systematic issues of agriculture and the interaction between agricultural land and the planning system, which as I am sure you can appreciate is a very in-depth piece of work but an important one to safeguard and protect the productive agricultural land that we have in our State to stop it being segregated and used for other purposes.

The Hon. MICK VEITCH: That same submission that was made to the Parliamentary Budget Office in the lead-up to the 2019 election advised that it would be funded at \$2 million over four years, capped at \$500,000 each year for the four years. Information obtained via the Government Information (Public Access) Act [GIPAA] shows that the ag commissioner's fees are \$2,000 per day for the first 100 days of work, then \$1,000 per day thereafter for a maximum of 50 days—so a total of 150 days of work per year. Have you funded more than the commitment that was put to the PBO?

Mr ADAM MARSHALL: It depends on if you cost in all of the support that is provided to the agriculture Minister by the department.

CORRECTED

The Hon. MICK VEITCH: That is where I am going.

Mr ADAM MARSHALL: I am not sure whether that was part of that submission or not. Mr Hansen might be able to clarify that. But, suffice to say, we give to Mr Quinlivan—

The Hon. MICK VEITCH: You do not give, you allocate.

Mr ADAM MARSHALL: Well, I have instructed that he is provided with every assistance he needs to do his job properly because what he has been asked to do is critical.

The Hon. MICK VEITCH: So what other supports, Minister?

Mr ADAM MARSHALL: Mr Hansen?

Mr HANSEN: In fact, it might be better if you have the ag commissioner tell you the support that he gets from the department rather than me telling you what I think he is getting from the department.

The Hon. MICK VEITCH: We are going to talk to the ag commissioner this afternoon, Mr Hansen.

Mr HANSEN: Well, in that case, he is serviced by a policy team of one director and a couple of support staff—clerk 11/12s and 9/10s—who work alongside him and help not only in arranging the public consultation and stakeholder engagements but actually collect data out of those, taking the submissions, help summarise pieces, help turn them into discussion and issue papers for consultation. We obviously cover the cost for arranging all of those consultations and engagement pieces. All of those are on top of the consultancy fee that we have with the Agriculture Commissioner. The PBO office costing would have been a snapshot-in-time estimation as to what that election commitment was going to cost. As the Minister has outlined, the policy work and the consultation that the ag commissioner is doing at the moment is framing up what further pieces of work need to be delivered, what those recommendations are, and we are not at that stage of getting those recommendations yet.

The Hon. MICK VEITCH: Thank you. Minister, the appointment is for two years?

Mr ADAM MARSHALL: That is correct, yes.

Mr HANSEN: Until 30 July 2022.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: Is there a view to extending this position beyond 2022?

Mr ADAM MARSHALL: That would be my intention, yes.

The Hon. MICK VEITCH: That is if you are in the role.

Mr ADAM MARSHALL: Yes, of course. Everything is predicated on that.

The Hon. MICK VEITCH: As you have said many times, I am starting to feel like there might be a reshuffle in the wind, but anyway.

Mr ADAM MARSHALL: Give us the Premier. Take us away, as I said.

The Hon. MICK VEITCH: Mr Faraway is getting pretty excited; he has just been elevated to a committee chair and the next step, of course, is the front bench. The reason I ask about the two years is the sector requires a bit of certainty. Why not make it a four-year appointment—for the life of a Parliament, for instance—so that there is a bit of surety around the position?

Mr ADAM MARSHALL: I think that is a reasonable question. I am not sure why the two years. Maybe that is policy within the department. I am not too sure. Mr Hansen?

Mr HANSEN: It was seen as different chunks of work that needed to be done. So the two years in which to do this first piece—come up with the recommendations, present those to Government for Government to choose, what course it wanted to take post that—obviously that might take a whole range of different options and different forms in which we might be looking for a different skill set or a different title for the role or different standing for the role than the current contract that we have. So it was just seen as a logical breakpoint. I must say, the more that you time in to having to negotiate with Mr Quinlivan with regard to his future contract here today, the less negotiating power I have.

The Hon. MICK VEITCH: That is alright, Mr Hansen. Mr Quinlivan, I am here to help. Minister, other commissioner roles—the Small Business Commissioner, the Cross Border Commissioner—the contact phone number or a contact arrangement is circulated to MPs—I gather it is all MPs—so that we can make contact with the individual. Mr McTavish is very good to answer the phone.

CORRECTED

Mr ADAM MARSHALL: He is excellent.

The Hon. MICK VEITCH: I have had no need to talk to the Small Business Commissioner, but my colleagues say the same thing that you can pick up the phone and essentially you get a response. Why was that information not provided for the ag commissioner?

Mr ADAM MARSHALL: I wonder if it has not been provided, Mr Veitch, and I can give a commitment to provide that information.

The Hon. MICK VEITCH: I certainly did not get it, and I am wondering whether other MPs got it.

Mr ADAM MARSHALL: I cannot answer that, but there is no reason why that information should not or cannot be circulated. Mr Quinlivan is available to be contacted and to help.

The Hon. MICK VEITCH: Can you give an undertaking to this Committee that that will be circulated to all MPs?

Mr ADAM MARSHALL: Yes, sure, can do that.

The Hon. MICK VEITCH: It is actually quite beneficial.

Mr ADAM MARSHALL: No, I agree with you. Your comments about the Small Business Commissioner and the Cross Border Commissioner, I can only endorse those.

The Hon. MICK VEITCH: Contacting the ag commissioner, if you are a farmer in the lush green environs of the Northern Tablelands—

Mr ADAM MARSHALL: Not all of it.

The Hon. MICK VEITCH: —and you want to ring or get in touch with the ag commissioner, how do you do that?

Mr ADAM MARSHALL: I would hope, first of all, they contact their local member of Parliament if they are in the Northern Tablelands.

The Hon. MICK VEITCH: Depends on their relationship with the local member.

Mr ADAM MARSHALL: I have a pretty good relationship. To your substantive point, how would they do that? They could get in contact with the Agriculture Commissioner directly or via the department would be my expectation.

The Hon. MICK VEITCH: Are those details publicly available?

Mr ADAM MARSHALL: I would have to check whether they are on the website. Mr Hansen?

Mr HANSEN: There would be some point of contact on the website. I am just not sure whether it goes directly to Mr Quinlivan's mobile number or whether it goes through a switch.

The Hon. MICK VEITCH: Or is it organised through the respective local land service?

Mr HANSEN: It would not be through the local land service that I am aware of.

The Hon. MICK VEITCH: No?

Mr HANSEN: No. Although, anyone making contact with their local land service would automatically have the capacity to redirect it to us and for us to put that through to the commissioner.

The Hon. MICK VEITCH: Can you take that on notice and let us know? Someone needs to check.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: Minister, on 7 August 2020, DPI's Director of Insights & Industry Analysis Darren Budworth emailed Brooke Noorbergen—and I apologise for the pronunciation—Principal Policy Officer, Strategy and Policy, and advised, "We will not have \$2 million for the ag commissioner." Minister, do you have the \$2 million for the ag commissioner?

Mr ADAM MARSHALL: I am not aware of that email, but as you have read out through your preamble to a previous question, we provide all the resources that the Agriculture Commissioner needs and desires.

The Hon. MICK VEITCH: As the Minister, you are satisfied that the ag commissioner has all the resources he needs?

CORRECTED

Mr ADAM MARSHALL: Yes, I am. I can say—and I do not mind saying it while he is here—that if he needed extra resources—and he knows this anyway—all he would have to do is ask and make that request.

The Hon. MICK VEITCH: Minister, we were talking about the scoping of the role for the ag commissioner. Is there any intention to extend the role so that it can look at matters arising from linear infrastructure like power grid lines, Inland Rail or even gas pipelines, for instance? It is a land use issue.

Mr ADAM MARSHALL: Yes, it is. I guess the scope of the role—at the moment, the commissioner has been tasked to look at some very specific things, but in the future, yes, that could certainly be the case. The issue is of the scope of the role and how much a person can conceivably do. You do not want to have the position being spread a mile wide but only an inch thick, if you get my meaning. Some of the difficult policy work that the commissioner is working on is critical and it is critical that it is done in-depth, because it is going to be a whole-of-government process around any final changes of policy or legislation in those areas. But certainly in the future, that could be the case, for sure.

The Hon. MICK VEITCH: Is this part of the work that the ag commissioner is doing about scoping out beyond the current two-year tenure?

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: They are the sort of things that could be fed into that consideration.

Mr ADAM MARSHALL: Yes. And I would not—

The Hon. MICK VEITCH: The farmers out west on the Inland Rail, for instance, there are a number of farmers. I have no doubt that you have met them, because they have been very active in lobbying a number of us around their concerns on the proposed corridor.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: There are a number of farmers that are worried down my way around the HumeLink powerline proposal and where that corridor is going to run.

Mr ADAM MARSHALL: Likewise, farmers concerned about solar farm developments or wind turbines.

The Hon. MICK VEITCH: So that land use issue.

Mr ADAM MARSHALL: Anything that encroaches on agricultural land, yes. All of those whole tension points or conflict areas where you have other developments, whether they be railway lines or solar farms or even coal seam gas [CSG] or mining developments, encroaching on rural land is exactly the policy friction point that the commissioner is currently working on of how we build into a planning system, that inherent protection, to keep productive agricultural land in productive use without encroaching on a farmer's right to basically grow on their farm or do with their farm or their land as they determine to be best for their farming business.

The Hon. MICK VEITCH: Those land use issues and those management of easements raise an interesting question. Have you been approached by the member for Upper Hunter about the Hunter Gas Pipeline?

Mr ADAM MARSHALL: No, I do not believe so. That is not to say that the member for Upper Hunter has not written to me.

The Hon. MICK VEITCH: Could you take that on notice?

Mr ADAM MARSHALL: I can take that on notice but I can say that we have not had a conversation about it, no.

The Hon. MICK VEITCH: You or your office is fine.

Mr ADAM MARSHALL: Fine, I will take that on notice, Mr Veitch.

The Hon. MICK VEITCH: Was the Agriculture Commissioner role modelled in any way on the dairy commissioner?

Mr ADAM MARSHALL: I cannot say what formulation was given to the role prior to my appointment. Mr Hansen?

Mr HANSEN: No, completely separate tasks. One was to act as a dairy advocate and to go around and collect the views of the dairy industry, and the other one has been quite deliberate in their ability to go to address those three key policy questions of minimising the loss of productive capacity, reducing and managing that land

CORRECTED

use conflict that you have just spoken about and what needs to be done to support the growth of regional economies. To do that required a completely different skill set and completely different terms of reference for what they are needing to do.

The Hon. MICK VEITCH: Minister, how often do you meet with the Agriculture Commissioner? Is it a structured process or is it on a needs basis?

Mr ADAM MARSHALL: There is a bit of structure and then on a needs basis, either on the phone, in person or via technology. I could not put a number on it but on a regular basis, yes.

The Hon. MICK VEITCH: Monthly, fortnightly?

Mr ADAM MARSHALL: Yes, probably monthly. Not fortnightly, but certainly on a very regular basis, yes, for sure.

The Hon. MICK VEITCH: Minister, you would also be aware that NSW Farmers are pretty strongly advocating for a legislated Agriculture Commissioner.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: And they want them to be an independent champion for the sector.

Mr ADAM MARSHALL: Yes, I am aware of that. They have expressed that to me on a number of occasions. I always say, "Well, can you point to an example of where Mr Quinlivan has not been independent or does not have the resources he needs to do his job or isn't a fierce advocate et cetera, et cetera?" I understand and appreciate their perspective, but my view would be—and I have expressed it to them—that for what the Agriculture Commissioner is doing at the moment, he has everything that he needs to do that job. If that changes in the future and if I am still in the portfolio, as I have said, I am open to the potential to look at legislation, but at the moment it is just not necessary.

The Hon. MICK VEITCH: I am certain that NSW Farmers will be keen to read the transcript around those things.

Mr ADAM MARSHALL: Oh, no. Nothing they just read in the transcript will surprise them, Mr Veitch. I am always very up-front with them.

The Hon. MICK VEITCH: Yes. Mr Hansen picked me up on this, I did refer to the dairy commissioner but it is actually the Dairy Advocate. I need to make sure that Mr Zandstra's role is appropriately referenced. A recommendation from Mr Zandstra and his panel was to develop a targeted set of materials for dairy farmers to be able to pick up and lift everything that they need to and how they need to go about doing it. Has this been developed—a toolkit that dairy farmers could pick up?

Mr HANSEN: At this stage are we allowed to bring the ag commissioner into the conversation?

The Hon. MICK VEITCH: Yes, okay.

Mr HANSEN: Or do you want to wait until after lunch?

The Hon. MICK VEITCH: No, let's bring him up to the table.

Mr QUINLIVAN: I think this question is for Mr Zandstra, though, if I understood your question correctly

The Hon. MICK VEITCH: Yes, it was.

Mr HANSEN: The Agriculture Commissioner and the Dairy Advocate have been meeting and have met on a number of occasions in terms of that interplay between that pick-and-lift assurity that is required by dairy farmers around the zoning of their businesses, of their sheds, of their infrastructure and the way in which that is viewed by councils. That is but a microcosm of the broader piece that the ag commissioner is working on. Again, you would have seen the issues paper and seen that one of the key things out of that—and again, sorry to be talking about your work while you are here, Mr Quinlivan—is actually the fact that councils require a lot more certainty about what is expected of them in applying planning laws.

And in the same way, the industry wants far more certainty around how they are to meet and comply and how they are to be viewed under those planning laws. The final package—or a package for pick-and-lift for dairy—has not been completed, but it is part of a broader suite of how we provide that certainty to all types of especially intensive operating models—whether that be glasshouse, greenhouse or intensive horticulture—that need that same outcome that dairy is looking for, and as was called out by the Dairy Advocate, which is clarity and certainty about how they are to interact with the planning arrangements.

CORRECTED

The Hon. MICK VEITCH: Minister, how often do you meet with the Dairy Advocate?

Mr ADAM MARSHALL: I met with the Dairy Advocate very recently, I think last week or the week before, and the same as with the Agriculture Commissioner—on a regular basis. Off the top of my head I could not put a number on it, but he regularly gives me an update how his industry—

The Hon. MICK VEITCH: But at least monthly?

Mr ADAM MARSHALL: Yes. He regularly gives me an update on how his industry advisory group is going and very recently he talked to me about the draft report that his group had put together. He was just about to bring the industry group together to endorse that final report before it is submitted to me. I have not received that report yet but it should be imminent.

The Hon. MICK VEITCH: Minister, I want to go to input costs for farming, and particularly I want to talk about energy costs for New South Wales farmers. Again, you—like most of us at this table—would have heard from farmers on a regular basis about the cost of energy and its impact on their prospective operations. For some, such as the dairy industry, input costs on energy are a substantial part of their work. As I understand it, to date there have been about 800 on-farm energy assessments completed as a part of the—I think this is the Agriculture Energy Investment Plan [AEIP] in Victoria. Are you looking at the Victorian process at all around trying to cut energy costs to farmers?

Mr ADAM MARSHALL: The short answer is yes. DPI has a partnership that includes some funds that we administer on behalf of Environment, Energy and Science [EES] to assist farmers who wish to—whether it is an electricity audit or to embrace new and emerging technology to trial on their properties that will hopefully then lead to more farmers taking up that technology. For example, a dairy farmer going to a completely off the grid dairy milking facility to demonstrate that it can work commercially so that maybe other farmers will take that up. Of course, it is a large capital outlay but, as you can imagine, in the dairy industry over the course of many years the pay-down period is short and your electricity costs are completely eliminated. The same with the irrigation sector as well utilising new technologies, particularly around energy.

This is the benefit—and I do not want to get into the ideology of it, but farmers are practical people. As I drive around the west of the State in particular—as you do, Mr Veitch—I am amazed by the increasing number of solar-powered pumps, windmills and other infrastructure that traditionally either run off normal electricity or off a diesel pump or generator that are now powered by solar. The technology is becoming a lot more cheap and farmers are willing to implement it as they see more of their peers doing the same. But yes, we do have a partnership. Maybe this afternoon we can provide a few more details around that, but we are moving in that direction and trying to provide that support but also trying to—you cannot force farmers to do it, and some farmers like my grandfather, who is a pretty conservative sort of guy unless he can see someone else doing it, he will not embrace it. So it is about demonstrating it on farms so that others might take it up.

The Hon. EMMA HURST: Minister, the RSPCA raided a facility last week in Central West New South Wales, which I am sure you have heard about. They seized 79 dogs who needed urgent veterinary care, but I understand that some dogs had to be left behind. Do you know why dogs were left behind at that facility?

Mr ADAM MARSHALL: No, I do not. I am not even aware—I have not received formal advice that they did leave dogs behind, so I would have to take that question on notice.

The Hon. EMMA HURST: Thank you. Can you also take another question on notice about whether the dogs that have been left behind at the facility are being used for breeding?

Mr ADAM MARSHALL: Yes, I do not know.

The Hon. EMMA HURST: If you could take that on notice.

Mr ADAM MARSHALL: Again, I would have to take that on notice, Ms Hurst.

The Hon. EMMA HURST: Does our legislation allow somebody who has 79 sick dogs that would need urgent veterinary treatment to be able to keep dogs in their care?

If so, do you think that that might indicate that there needs to be some revision around that?

Mr ADAM MARSHALL: Can you just repeat that question for me?

The Hon. EMMA HURST: I am sorry. It was a complicated question. Does our legislation allow somebody who would have 79 sick dogs that are taken away from them for urgent veterinary treatment to keep animals in their care that were not requiring veterinary treatment? Does our legislation need to be reviewed, considering that those animals could potentially be at risk if 79 others were neglected?

CORRECTED

Mr ADAM MARSHALL: Thank you for repeating it. In some circumstances, my understanding of the legislation is that, yes, in some circumstances that could be the case, but that would be at the discretion of the enforcement or compliance agency. Whether the Act or the legislation is under review, it certainly is. The bill has not hit your House yet, so it would not be a breach of your standing orders. But there is a bill that is coming to your House that has passed through our House that actually closes some of those legal loopholes that you may be referring to there, around interim disqualification orders and ensuring that people can be restricted or banned from ever breeding animals, owning animals, caring for animals or even having responsibility for those animals.

The Hon. EMMA HURST: With those interim orders, though, Minister—just skipping forward to the tougher penalties bill—my understanding is that you also have a provision in there that would allow somebody to keep animals that they currently have, but it is more about acquiring new animals. What was the reason behind that?

Mr ADAM MARSHALL: That is true, but that is different from this circumstance, where, if the enforcement bodies believe that there is animal cruelty being perpetrated or an imminent risk of cruelty being perpetrated against those animals, they already, today, have the power to seize all animals, if they have a reasonable suspicion that there is a likelihood that there will be acts of cruelty perpetrated against those animals. Is that correct, Mr Hansen?

Mr HANSEN: That is correct. It is the first we are hearing about dogs being left behind. But that is not surprising. It is an action by the compliance agencies. We would have to ask them with regard to the reasons for that.

The Hon. EMMA HURST: Minister, just going back to your tougher penalties bill and with those interim orders—and apologies, I do not have it in front of me so I am just going off memory—the interim order requires that the judge would consider that the animals are at risk. The interim order would go into place if they considered that the act of cruelty would happen to those animals. But it still exempts people who have animals in their care at the time that they are going to court. Is there any sort of way of getting around that so that in a situation like this, a court could say the animals are in their care, but if that bar has already been met with regard to the fact that they are at risk?

Mr ADAM MARSHALL: What the intent of that particular provision would be is that sometimes there can be a considerable time lag between a prosecution commencing in the courts and that prosecution action being finalised and determined. It could be months; it may be years, depending on the complexity of the issue. Changing the Act or inserting that provision as contained in the bill gives the court the ability to issue an order to prevent that person during the course of that court action from obtaining any additional animals above what they had at the time of the prosecution.

Now to your point about the loophole, I think I addressed that in the last question, where if an enforcement agency right now believes that there is an imminent risk to those animals of having animal cruelty perpetrated against them by the owner or the person responsible for them, they can take those animals away from that place right now. They do not have to wait for someone to perpetrate an act of animal cruelty on those animals. They can seize them prior to, as long as they are satisfied—I am not a lawyer, so excuse my language—that there is a reasonable likelihood that an act of animal cruelty will be perpetrated. The purpose of the order inserted in the bill is to prevent that individual buying new animals. What we found is that they can seize current ones, but then they just go and buy some more.

The Hon. EMMA HURST: I understand that part of it and I agree with that intent absolutely.

Mr ADAM MARSHALL: Good.

The Hon. EMMA HURST: My understanding is that the Government provides only 6 per cent of the RSPCA's overall cost, which is actually one of the lowest of every State and Territory around Australia. Does that concern you? Is there any revision or indication that there will be more funding towards these authorities to actually uphold the law?

Mr ADAM MARSHALL: Yes, there will be a review as part of the overall animal welfare review. Fundamental to that review is the nature of enforcement. Obviously, people have varying views about whether it is appropriate for two of the three agencies that are enforcement agencies under POCTAA to be non-Government charitable organisations and whether that is appropriate. Obviously, whether the new animal welfare framework still has those charities as enforcement authorities is yet to be determined. Then if it is determined that they will be and the Parliament passes a law to that effect, then, obviously, the second aspect will be how are those organisations funded so that they can do their job effectively. Mr Hansen has just reminded me that Minister Hancock, I think, announced \$10.5 million yesterday for some RSPCA rehoming facilities.

CORRECTED

The Hon. EMMA HURST: That is just for the shelters, though, not the actual enforcement.

Mr ADAM MARSHALL: I think it was shelters, yes.

The CHAIR: Can we just go back to the businesses and shares that were bought out? Can you explain why over a million dollars' worth of businesses and shares were bought out by the Government only to be thrown in the bin while people were wanting to buy these shares on the open market? You had 376 shares that were bought for, roughly, around \$2,656, which comes close to the \$1 million mark. Then there were another three fishing business numbers that came with them at the rate of 60,000. Then there was another fisher, who was not really a fisher, it was a shadow company in the name of a CommFish member, who was bought out for \$352,000. All of that was thrown in the bin, all while people were actually wanting to buy those shares.

Mr SLOAN: As you know, Chair, I was not around when this process was run. I started work as the head of Fisheries in New South Wales last year. But my understanding of the process was that when those shares were removed, it was through the first stage of the buyback and it was done to essentially allow for the remaining fishers to have access to more quota. If there are excess fishers in the fishery and you remove—

The CHAIR: But those people that you bought the businesses off just took that money and went directly back into the market. So you did not have the desired effect at all. You have essentially just given these people a little hit in the pocket. Then they have gone back and bought into the market.

Mr HANSEN: Chair, which shares in which category are we talking about? Back in 2017?

The CHAIR: I believe we are talking about the hand-gathering shares.

Mr HANSEN: Hand-gathering shares?

The CHAIR: Yes.

Mr HANSEN: Unfortunately again bear with us on the fact that we do not have here in front of us all of the transactions for the individuals back in 2017 out of the commercial fisheries reforms. We will take on notice your question about the shares that got purchased off three businesses, your question about whether one of those businesses was not an active fisher, but the allegation that they were just a front for—sorry, who were they a front for?

The CHAIR: There was a CommFish committee member. It was put in his daughter's name, under a false name.

Mr HANSEN: Under his daughter's name or under a false name?

The CHAIR: That was not even her proper name. It was a pseudonym. So we got not even real people on the share register, which is another concern. You could take that on notice, as to what exactly went on there. In a document that I gave at previous estimates, which was from the university of Munich, that was about the actual share trading software, it actually states that the Government was not supposed to actually buy these shares unless it was at a zero cost. So while you are taking that on notice, can you come back to us and explain why you disregarded the share trading software rules.

Mr HANSEN: I can answer that now. I am not sure the context of that paper but at no stage was it ever anticipated that the subsidised share trading scheme was going to be a net-zero cost.

The CHAIR: It says, "Only if prices are zeroed can the Government delete excess shares".

Mr HANSEN: Yes, and again, I am not sure what expectation they would have had that the subsidised share trading market would have operated at a net-zero cost.

The CHAIR: Minister, at a previous estimates I gave you a document regarding a letter that former Minister Niall Blair wrote to CommFish regarding a meeting that they were having. You came back and stated—there were concerns about what they may have discussed during the share trading scheme—

Mr ADAM MARSHALL: I think I took that on notice, didn't I?

The CHAIR: You did. You came back and said:

CommFish NSW was only formed in 2017 and met for the first time on 26-27 May 2017, after the first two rounds of the Subsidised Share Trading Market had already been completed. It was an introductory meeting and did not discuss any issue related to the market.

Minister, if you go to the minutes of that meeting, one of the things they were discussing and actually voted on with a majority vote was giving themselves more votes based on how many shares they would actually hold. There is a fairly strong argument to say that those CommFish members who voted that way would have gone back into round three knowing that if they bought up big and got more shares then they got more seats and votes at the table.

CORRECTED

Does that concern you as a Minister that they potentially made a decision that was favourable to them and went back into the market with that knowledge?

Mr ADAM MARSHALL: If that were the case, Mr Chair, yes. That would concern me greatly. In fact, on the prima facie evidence, if that is correct—exactly what you have just said—those individuals may have breached a number of laws, but I do not know if that is the case. I obviously was not—I know you get sick of hearing that refrain. I was appointed as Minister after the 2019 election. I am happy to go back and have another look at that issue and take that on notice for you.

The CHAIR: Thank you.

Mr JUSTIN FIELD: Minister, you will recall the Natural Resources Commission [NRC] review into land management reforms. I think they describe your biodiversity laws as a statewide risk to biodiversity, in fact. Do you recall that a review?

Mr ADAM MARSHALL: Yes.

Mr JUSTIN FIELD: The Government, in responding to the review, it supported only a handful of the recommendations. It agreed in principle to some and just noted others. But two that you supported included 2.3 Reviewing the drivers of high rates of unexplained clearing and address identified issues. What is the status of the implementation of that recommendation?

Mr ADAM MARSHALL: My understanding is that a panel has been formed, an operational panel between local land services, EES and other stakeholders.

Mr JUSTIN FIELD: This is the three-year review that you are talking about?

Mr ADAM MARSHALL: Yes. They are just about to submit—

Mr JUSTIN FIELD: So it is being put into that process?

Mr ADAM MARSHALL: Yes, it has. They are just about to submit—Mr Witherdin might confirm this—but my understanding is that that panel is just about to send to Minister Kean and myself a draft terms of reference for us to sign off on so that they can commence their work. Is that right, Mr Witherdin?

Mr JUSTIN FIELD: Would that be the same—

Mr ADAM MARSHALL: Is that right, Mr Witherdin?

Mr JUSTIN FIELD: I might come to that.

Mr ADAM MARSHALL: I just want to check that what I have said to you is correct.

Mr WITHERDIN: That is correct, Minister.

Mr ADAM MARSHALL: Good.

Mr JUSTIN FIELD: Recommendation 2.4 Developing processes to ensure six monthly monitoring and reporting unexplained clearing as part of the trigger framework. That was supported?

Mr ADAM MARSHALL: Yes.

Mr JUSTIN FIELD: What is the status of the implementation?

Mr ADAM MARSHALL: I am not sure. EES does that aspect and I am not the Minister for the environment.

Mr JUSTIN FIELD: You do not have a view about the monitoring and reporting of unexplained clearing? You have had no engagement in setting up a framework? You wanted it done every six months.

Mr ADAM MARSHALL: As I said, no agency that I have responsibility for does work in that area.

Mr JUSTIN FIELD: I might ask Mr Witherdin some questions about the details around engagement with the EES in establishing that.

Mr ADAM MARSHALL: But I imagine it would be part of the panel.

Mr JUSTIN FIELD: Fair enough. On this three-year review, that is broader than just the NRC's recommendations. That is a review largely into the code, right?

Mr WITHERDIN: It is a review into—yes. Certainly, the NRC recommendations, there is the Audit Office recommendations and, more broadly than that, there is a land management biodiversity conservation

CORRECTED

board being set up. That was actually one of the recommendations of the NRC review to have that set up at a bureaucratic level. That is co-chaired by myself and the coordinator general of the EES. As the Minister said, we have draft terms of reference there. We will put those forward to both Ministers for their concurrence and then move forward with that work. Yes, it specifically covers all the recommendations of both those audits and a whole number of other things as part of the land management framework.

Mr JUSTIN FIELD: But will it be reviewing the code in its entirety?

Mr WITHERDIN: The focus of it is specifically around the NRC and the Audit Office recommendations. Given that there has been both of those—there was an upper House committee inquiry as well, and then next year we move into a five-year statutory review. So the focus, given where we are with the framework and with the stat review coming out, is really to zero in on those aspects.

Mr JUSTIN FIELD: I know the NRC particularly identified that pasture expansion and equity parts of the code were the most significant in terms of clearing levels. Just to confirm, those two elements of the code will be subject to the review?

Mr WITHERDIN: Ultimately, the scope of the review is being determined by the Ministers in terms of what we put forward, but that would be the intention.

Mr JUSTIN FIELD: Minister, I know that in the equity portion of the code in particular there are caps that are due to expire at the end of this month. It is not clear to me what happens once those caps expire in terms of the application of the code. Given that the review terms have not even been set yet, I assume you will take action to ensure those caps remain until we have seen the outcome of the review?

Mr ADAM MARSHALL: No.

Mr JUSTIN FIELD: What will happen to those caps?

Mr ADAM MARSHALL: As per the legislation, the caps will disappear.

Mr JUSTIN FIELD: My understanding is that those caps were part of the concurrence agreements around the legislation at the time it was introduced. It seems as though, if the NRC has warned that it is a particular risk area in terms of clearing, those caps—has there been any assessment of likely impacts in terms of land clearing as a result of those caps being lifted?

Mr ADAM MARSHALL: There has, Mr Field, and I am glad you have raised this issue because it gives me the opportunity to talk about how the code works and how the equity clearing in part 5A in particular works. The caps—625?

Mr WITHERDIN: It is 625 hectares.

Mr ADAM MARSHALL: It is 625 hectares across the State. Mr Witherdin can confirm whether what I am about to say is correct, but I believe it is. There has barely been a landholder anywhere in the State since August 2017, when the code was implemented, that has gone anywhere near or even hit the cap. That is because under the part 5A equity clearing you cannot just clear land. You have to actually set aside and preserve in perpetuity offsets. The minimum offset ratio is 1:2. For the benefit of the Committee, Mr Chair, that means that if I am going to clear—

Mr JUSTIN FIELD: I would suggest the Committee read the NRC report that showed that offsets are not being delivered at that level.

Mr ADAM MARSHALL: But they are being delivered.

Mr JUSTIN FIELD: But not all components of equity require set asides, as you know. Ground cover does not and neither do paddock trees.

Mr ADAM MARSHALL: No. Isolated paddock trees do not, and why would they?

Mr JUSTIN FIELD: I think this is the point. I am asking you if there has been an assessment about the likely impact on the ground. Can you confirm just that at the end of this month there will be no caps? Is that your position?

Mr ADAM MARSHALL: The caps will expire in accordance with the legislation, but that will not in and of itself result in extra clearing because the last three years of evidence indicates—

Mr JUSTIN FIELD: You cannot guarantee that, I assume?

Mr ADAM MARSHALL: You can, because of the way the code is structured.

CORRECTED

Mr JUSTIN FIELD: If it will not create more clearing, why not just maintain the caps until we have seen the review into the code and the NRC's review and also the statutory review?

Mr ADAM MARSHALL: Why retain a piece of regulation that is redundant?

Mr JUSTIN FIELD: I think that is a contentious issue.

Mr ADAM MARSHALL: Oh, is it?

Mr JUSTIN FIELD: Have you put evidence on the table? The NRC described that as being the second highest in terms of land clearing across the regions.

Mr ADAM MARSHALL: If it was so important why did the Parliament specifically indicate in the legislation when passed that after that period of time the caps would go? It is a sunset provision.

Mr JUSTIN FIELD: I think that was a matter of the concurrence arrangements between the various Ministers.

Mr ADAM MARSHALL: That is not a concurrence measure, Mr Field.

Mr JUSTIN FIELD: As you know, I certainly did not vote for that legislation.

Mr ADAM MARSHALL: It is in the Act.

The CHAIR: I am going to stop you both. You can spar over lunch.

The Hon. MICK VEITCH: Minister, is the Agriculture Commissioner an employee of the Government or are they a contractor to the Government?

Mr ADAM MARSHALL: I believe the technical status would be contract—under contract.

The Hon. MICK VEITCH: Contracted to the Government?

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: Does that mean they are captured by the Government Information (Public Access) Act?

Mr HANSEN: Yes.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: So that means that they would be picked up by the SO 52 provisions of the New South Wales upper House?

Mr HANSEN: Correct.

Mr ADAM MARSHALL: But if you need some documents, just ask me. Do not worry about going down that path.

The Hon. SAM FARRAWAY: There is no theatre in it, then.

Mr ADAM MARSHALL: Oh, okay. Sorry.

The Hon. MICK VEITCH: Minister, if I were to write to the Agricultural Commissioner, is that an appropriate way to communicate? Normally we would have to write to you as the Minister.

Mr ADAM MARSHALL: Yes. I do not have a problem if any member of Parliament or any member of the public wants to write directly to the Agriculture Commissioner or write to me or Mr Hansen directly, or anyone.

The Hon. MICK VEITCH: If I were to write to the Agriculture Commissioner, would that then be referred to you anyway because that is the way it would be done?

Mr ADAM MARSHALL: I am not sure, Mr Veitch. It would probably depend on what you ask. If you were asking the ag commissioner to undertake something or do something that might not be within his brief, then he might seek clarification from me about what he should do.

The Hon. MICK VEITCH: But in the normal course of what we do as MPs—

Mr ADAM MARSHALL: No, not at all. If you were asking a technical question about something, he might—no. It is not a case of before he can communicate with you, Mr Veitch, or any member of Parliament or any member of the public, he has to seek the Minister's approval—not at all. From that perspective, no.

CORRECTED

The Hon. MICK VEITCH: So it is appropriate for us to be corresponding?

Mr ADAM MARSHALL: Yes. Indeed, as the Agriculture Commissioner he has moved around the State conducting a number of forums with industry leaders, there have been a number of MPs that have sat in and participated in those forums and discussions. So there is no problem there.

Mr HANSEN: If I can, Mr Veitch, the email address for direct to the ag commissioner is actually on the website under his photo and his bio and "how to contact me".

The Hon. MICK VEITCH: But it is by email, not by phone?

Mr HANSEN: Yes, by email as opposed to by phone.

The Hon. MICK VEITCH: Thank you. I think some of the farming fraternity would like to have phone contact too, but I will leave that with the Minister.

Mr HANSEN: I am sure they would.

The Hon. MICK VEITCH: Minister, this is a commercial fishing question. I am advised that, apparently, in a radio interview you spoke about ghost licences. I spent a fair bit of time delving into commercial fishing in the last four years of the previous Government. I could not find anywhere and I cannot recall what a ghost licence is. What is your definition of a ghost licence?

Mr ADAM MARSHALL: There is no definition, Mr Veitch. It exists nowhere. I did not talk about the issue; it was actually raised in a question to me. It was actually at the opening of the Department of Primary Industries building by my second favourite radio host, Michael Condon—my favourite is Kieran Reekie from *Hi-Tide*, by the way, Mr Chair. He asked a question in relation to the Barclay report about "What will you do about these ghost licences?" Typical—you have done a lot of media interviews, Mr Veitch—not being familiar with the phrase but not being 100 per cent confident to say there is no such thing as ghost licences, I made some comment like "It will be considered" or "I will look into it" or something like that. But certainly I did not begin the conversation talking about ghost licences, because up until that point I had never heard of the phrase either. Subsequently I have confirmed that there is no such definition and the term does not exist anywhere.

The Hon. MICK VEITCH: So, categorically, it does not exist?

Mr ADAM MARSHALL: No.

The Hon. MICK VEITCH: I can stop that chain of research?

Mr ADAM MARSHALL: Does not exist. In fact, I would never have raised it unless Condo phrased it in the question.

The Hon. MICK VEITCH: Minister, at budget estimates for the Deputy Premier, I raised the issue that Forestry Corporation had put out some maps with walking trails that happened to also be in a shooting zone.

Mr ADAM MARSHALL: Yes.

The Hon. MICK VEITCH: I am led to believe that those maps were prepared by DPI. Is that correct?

Mr ADAM MARSHALL: Is this the issue in the Lake Macquarie electorate where there was a cycling club—a mountain bike club—and there was about—

The Hon. MICK VEITCH: Our friends in the Shooters, Fishers and Farmers Party are pretty excited by the fact that they are putting out maps that have passive recreation interacting with—

Mr ADAM MARSHALL: No, this was a—not a "map" map. From memory—and I will allow Mr Hansen time to find his note there—it was to do with the Game Licensing Unit and the area which the licence conditions covered for those people that were given approval to undertake shooting activities.

The Hon. MICK VEITCH: Minister, I just want to know who prepared the map.

Mr ADAM MARSHALL: I think it was the Game Licensing Unit. Mr Hansen?

Mr HANSEN: My understanding in that evidence at the Deputy Premier's is that it was Forestry Corporation that had prepared the maps.

The Hon. MICK VEITCH: They prepared the maps?

Mr HANSEN: Yes.

The Hon. MICK VEITCH: So DPI had no involvement in the preparation of those maps?

CORRECTED

Mr HANSEN: I cannot say we had no involvement in the preparation—

The Hon. MICK VEITCH: Can you check?

Mr HANSEN: —but the maps are the responsibility of Forestry Corp. I think, if you remember, the CEO of Forestry Corp—or the acting CEO of Forestry Corp—said that they had pulled them down and they had reviewed their processes to make sure it did not happen again.

The Hon. MICK VEITCH: Thank you.

The CHAIR: Minister, I will go to prawn draws. Are you aware that with the rules around prawn draws, what is happening now is that people from outside regions are transferring their shares to other businesses within the prawn draw region to stack the draw, only to withdraw from that draw a couple of hours after the draw has closed?

Mr ADAM MARSHALL: I am actually quite confused by that question.

The CHAIR: Essentially, you have people stacking the draw by transferring their shares over to another region, only to then withdraw those shares that won them a place in the draw a couple of hours after the draw has closed.

Mr ADAM MARSHALL: Okay, and you are saying that is happening now?

The CHAIR: It is happening. Are you aware of it and are you concerned?

Mr ADAM MARSHALL: The answer is no, I am not aware of it. On the face of it, yes, that concerns me. That is why I will ask Mr Hansen or Mr Sloan to provide some technical input there.

Mr HANSEN: We might come to that after lunch.

The CHAIR: Okay.

The Hon. EMMA HURST: Minister, with regard to the increase in penalties—

Mr ADAM MARSHALL: Yes.

The Hon. EMMA HURST: —some research conducted in South Australia in 2018 found that by increasing the maximum penalties for animal cruelty, judges continued to impose the penalties in the bottom range of 10 per cent of the maximum penalties. Is there an option of a review of the penalties in New South Wales to make sure that we do not follow that same pattern where there is no real change in the penalties imposed?

Mr ADAM MARSHALL: There is a bill that is about to come into your House, Ms Hurst, to—

The Hon. EMMA HURST: Yes. I am assuming that the bill passes.

Mr ADAM MARSHALL: Your House? Thank you.

The Hon. EMMA HURST: I am assuming it will pass.

Mr ADAM MARSHALL: I think the Chair might have something to say about it.

The Hon. EMMA HURST: My question, then, is would there be a review to make sure that increase in penalties actually has an effect in the courts?

Mr ADAM MARSHALL: Again, I am not a legal professional and I certainly would never, ever pretend to be anywhere in the league of the Attorney General when it comes to things like this. But we do have the separation of powers, and the independence of the judiciary is an important principle in our society. I take your point about maximum sentences not always being adhered to, but the judiciary does have that discretion. Some people argue that we should have minimum mandatory sentences. I sort of adhere to the rule that that is probably a very poor way to legislate, and I think a number of people around this table would probably agree with that principle. I know the Attorney General does.

The CHAIR: That concludes our time this morning. Thank you, Minister, for your time. You have taken some questions on notice. The Committee secretariat will be in touch and you have 21 days to respond. We will resume at 2 o'clock.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back to the afternoon session of Portfolio Committee No. 4 and its inquiry into the 2020-2021 budget estimates regarding Agriculture and western New South Wales. Before I pass to the

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Opposition there is a small correction I need to make for Hansard and the witnesses. When I was talking about the buyouts previously I mentioned a member and said that they were a member of CommFish. That is a correction: They were not a member of CommFish; they were a member of the Catchers Trust. That is a clarification for Hansard and the witnesses.

The Hon. CATHERINE CUSACK: I thought that whole question was the biggest tongue twister I have ever heard.

The Hon. MICK VEITCH: It was very good. He did well to get through it. For the sake of clarity, Mr Chair, following in your lead, this morning when I was questioning the Minister about Monaro Farming Systems, I believe it is also sometimes referred to as Monaro Grazing Systems. It is one and the same. If you could note in that exercise this morning of taking on board all those requests, it is the same thing. Thank you. Mr Chair, I have a series of questions for the Agriculture Commissioner. Mr Quinlivan, I have a series of questions, some stemming from this morning's dialogue with the Minister and a couple of other areas as well. I am trying to get my head around how many hours you work a week or you are engaged to put in each week and how you accommodate that across the working week, because it is clearly not a full-time role, so to speak?

Mr QUINLIVAN: At present I am doing as much as I need to do to keep this project moving along at a fair clip. There have been some weeks when I have worked full-time and others much less. As you may know, we have had two public processes now, a series of webinars on an issues paper in September-October, and then through February, based on an options paper that we released before Christmas. Over those periods I spent a lot of time working on the project and there has been downtime in between. Now that we have completed that part of the process and we are just about to receive the last of the submissions on our options paper, I am expecting the next two months to be more or less full-time while we prepare a report for the Minister and the Government. The answer to your question is: As much as is needed to keep the project going on as fast as it can.

The Hon. MICK VEITCH: It is fluid, you are not working a set three days a week or two and a half days a week.

Mr QUINLIVAN: No.

The Hon. MICK VEITCH: It is as required. If you exhaust the number of hours as per the arrangement I read out this morning, what is the process for funding ongoing? Do you go to Mr Barnes or Mr Hansen to work out supplementation?

Mr QUINLIVAN: It will be a practical issue, I imagine. If the difference is small I will not be having a conversation with anybody. But if it looks like being very large I will be knocking on Mr Hansen's door, I guess, but we will see. It might cost me a few bottles of wine.

The Hon. MICK VEITCH: Let us assume it is going to be large, Mr Hansen, what is the process for supplementation?

Mr HANSEN: We have processes for varying contracts to be able to either extend, based on time requirements, outcomes that are being sought. That is a common practice for us in terms of having to vary contracts based on time availability or time requirements.

The Hon. MICK VEITCH: As I understand it, the terms of the contract of engagement for Mr Quinlivan, is it 150 days per financial year?

Mr QUINLIVAN: It is 150 days for this financial year. You might recall the conversation earlier today where this is the first appointment that has been made. This is the first task that the appointee has had. So we are learning by doing. I am anticipating at the end of the year we will have a conversation about what looks sensible for the second year.

The Hon. MICK VEITCH: You are into the first year of your two-year tenure?

Mr QUINLIVAN: Yes.

The Hon. MICK VEITCH: The issues paper and that exercise consumed the majority of your time?

Mr QUINLIVAN: Actually the majority of the time has been consulting with people and that was one relatively small part of the process.

The Hon. MICK VEITCH: Around land use conflict?

Mr QUINLIVAN: Yes, that is right.

The Hon. MICK VEITCH: This morning I explored with the Minister particularly things such as easements. Down my way near Tumut there is a serious issue with HumeLink. A lot of the farmers are very

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unhappy about the fact that there is a corridor going through their farms for a power line. There is the Hunter Gas Pipeline. Whilst they are not quite within your remit, as I understand it, are you receiving representations from farmers about that sort of land use conflict?

Mr QUINLIVAN: Some, but the project is mostly about the planning system in a macro sense and the functioning of the system and the way it affects investment in agriculture and agricultural operations. We are trying quite hard not to look at too many individual issues, because if we did we would not be spending enough time on those large system-wide issues. So yes, issues in specific areas like forestry, energy, particularly renewable energy, and so on have been raised with us and they raise a lot of the same issues. But we are not inquiring into any of those specifically.

The Hon. MICK VEITCH: You are specifically concerned with the right-to-farm arrangements?

Mr QUINLIVAN: I think better described as the interaction between the New South Wales planning system and the operation of the agriculture sector generally.

The Hon. MICK VEITCH: I like those words; we will keep using those words, because it is colloquially referred to as right to farm out in the field.

Mr QUINLIVAN: Yes.

The Hon. MICK VEITCH: The election commitment that the Government put to the Parliamentary Budget Office [PBO] indicated that your position would work with the Small Business Commissioner and the Chief Planner. Now that you are in the role, is that actually what is happening for you? You have had that sort of dialogue at that level?

Mr QUINLIVAN: I have had a lot of interaction and assistance from the planning department, including the CEO, or the deputy director general, and I have talked to lots of people across the New South Wales Government, as well as in local government and in industry groups, as many as I have needed to, to do the job properly.

The Hon. MICK VEITCH: The Minister said today that a part of your role is to start scoping out what this would look like post your two-year tenure. Have you had much of a chance to cast your eye at what you would like that to look like?

Mr QUINLIVAN: The initial task he has given me, although it seems at first glance to be relatively narrow, actually is a very broad one because the planning system is so pervasive through the New South Wales economy. So it is a very large set of issues. We are dealing with a number of them in this first report but I am anticipating providing the Minister, as well as a report on this particular issue, advice on other issues in the planning sphere that he might wish me to follow up as a second tranche of work. And then there are other issues to do with providing more confidence for investors in agribusiness and rural economic development and so on, which I see as being quite consistent with this, which might be part of a future work program. But that will be a matter for him.

The Hon. MICK VEITCH: Are you saying it is a broader scope than your current remit?

Mr QUINLIVAN: Not necessarily broader; it might be more narrow. It might be some of the particular issues, including a couple that you just mentioned, that he considers warrant more intensive work. That is something we will have to discuss at the time.

The Hon. MICK VEITCH: The report you talk about, I am just trying to recall the date that is meant to be presented to the Minister.

Mr QUINLIVAN: The two pieces of work that we released were the issues paper in late August and the options paper in late December. Submissions are closing in another week and then we will be taking perhaps two months or thereabouts to analyse all of that material and work through our thinking with New South Wales agencies and the people who have made submissions, test their thinking a bit harder. Then we will be providing advice to the Minister which will then become the basis of a Cabinet submission. I am hoping and expecting that there will be some public report as part of that, but we have not quite settled that yet.

The Hon. MICK VEITCH: That end of it is actually a political—that is more the ministerial process of government matter.

Mr QUINLIVAN: Correct.

The Hon. MICK VEITCH: That is not your area.

Mr QUINLIVAN: Yes.

CORRECTED

The Hon. MICK VEITCH: I want to drill down. Maybe Mr Hansen or Mr Barnes, who is sitting there waiting for a question, I know: The support that is provided to you in this work, we heard this morning that there is a bit of support, as I take it from Mr Hansen, coming out of the department to assist—secretarial support and the like. What is the current support being provided to you to meet your requirements?

Mr QUINLIVAN: There is a small team in Mr Hansen's department that is working for me—some part-time, some full-time. The cost of that team would be significantly in excess of the notional budget for this project. If you are revisiting the question you asked the Minister this morning, the cost of the work I am doing is significantly in excess of the half a million a year because of the staff costs but, as the Minister said this morning, he has made it clear, as has Mr Hansen, that I can have whatever I need to do the job well. But, as I say, the direct costs of the project are significantly in excess of the notional budget.

The Hon. MICK VEITCH: I did broach this this morning with the Minister but have you met with the dairy advocate?

Mr QUINLIVAN: I am not sure of the precise numbers but I would think I have probably had maybe three or four telephone conferences with him. I did a presentation, again by video, with his dairy committee and there were a couple of follow-up conversations with members of the committee since. I do not have my diary references here but it would be in the order of somewhere between four and six, I would say, conversations I have had with him and his committee.

The Hon. MICK VEITCH: In the work you are doing at the moment through the two papers you mentioned, the two exercises, have you encountered any confusion at all amongst the farming fraternity around the exact nature of your role? I ask this question because there was conversation, dialogue or debate about this matter—this role, so not about you but about the role—in the lead-up to the last election. We now have the role and some people are not clear on the role you have and whether it is what was being discussed at the time of the election—there has been a change. Have you encountered people who are not clear in what your role is?

Mr QUINLIVAN: I think the representative organisations are quite clear. I have spent time with most of them in one form or another discussing this project and they are very well aware that we are essentially doing a policy review for the New South Wales Government. So I do not think there is any confusion amongst those groups, nor individuals who are closely associated with those representative groups. We have had approaches from individual farmers who are not connected to those kind of processes who, I think, have in their minds that the commissioner has authorities and powers and so on that would allow the office to intervene, mediate and arbitrate in disputes. So we have had to explain to them that that is not the role and that there are other processes for those people to pursue those grievances. So I would not say there is widespread confusion but there are some individuals who are not familiar with the role and the differences and I guess that is always inevitable.

The Hon. MICK VEITCH: Good, because it was floated as more of an advocacy type role before you took up the role and before it was created. So there was a conversation, I think, hence the NSW Farmers wanted the role legislated and clearly enunciated in a framework. On those instances you mentioned, are you providing information about that confusion to the Minister or up to Mr Hansen?

Mr QUINLIVAN: Mainly it has been explaining to those people what we are doing and why, and pointing them in the direction of other processes where they can take up those issues. If there was a larger number of them and evidence of a more widespread problem then that clearly would be something that I would mention to the Minister and Mr Hansen because that would then warrant some attempt to try to explain it. I think with the release of our papers recently I have been doing a bit more media and there has been a bit more coverage of the role. I think that has probably helped public understanding.

The Hon. MICK VEITCH: Sort of an educative process.

Mr QUINLIVAN: Yes.

The Hon. MICK VEITCH: Mr Quinlivan, I am just keen to understand and have a better appreciation of the reporting lines. What are your reporting lines in the structure? We have determined that you are not an employee but you are a contractor to the department. What is the process of your reporting? Do you report directly to the Minister or do you report into a level within the department—Mr Barnes or Mr Hansen, somewhere?

Mr QUINLIVAN: It is not really a structured thing. I have been asked by the Minister to do this job and to do it well. He has offered all assistance, as has Mr Hansen. So I have got access to them and their staff as much or as little as I feel I need to do that job. It has been a regular thing on an as-needed basis. As we get closer to concluding this part of the project and preparation of proposals that Minister Marshall will take to Cabinet, obviously we will be spending a lot more time together.

The Hon. MICK VEITCH: Essentially you report to Mr Hansen.

CORRECTED

Mr BARNES: The contract is with the Director General of DPI.

Mr HANSEN: But at the same time a number of the meetings the commissioner will have with the Minister are one-on-ones between the commissioner and the Minister for that direct line of reporting and conversation, as would be appropriate. Also we make sure that Daryl has got visibility and awareness of the full suite of programs and activities that we are running. So he attends and participates in some of our executive activities across the department so that he is aware of what we have got going on in the Agriculture portfolio, in the Biosecurity portfolio, in Fisheries and so forth. Whilst he is serviced by a team at the moment, he has access to everyone and anyone across the department to be able to get the information he needs and to be able to have the conversations that he needs.

Mr BARNES: And the same with the broader cluster. Daryl and I have met on a number of occasions to give him the context of what is happening more broadly in the regional economic development space so that the work that he is undertaking is contextualised.

The Hon. MICK VEITCH: I guess a part of the line of reporting is important because in the sector again they are talking about the independent role or nature of Mr Quinlivan's position, the Agriculture Commissioner. Are you satisfied that the independence that the sector expects is being met, Mr Hansen?

Mr HANSEN: Absolutely. It is one of catch 22s in terms of the industry wants government to provide a resource to be able to do this, wants it to be independent, but then wants us to be held accountable for the expenditure of the funds through the contract. Therefore, we need to have some line reporting to make sure of that accountability and transparency on contract funds, whilst at the same time to make sure of that direct independence for someone of Mr Quinlivan's standing to be able to raise the issues, have the frank conversations and provide advice where we need to be doing things differently.

Mr BARNES: It is no different from the Cross-Border Commissioner, who acts quite independently but has to have formal reporting structures.

The Hon. MICK VEITCH: I think where we are going with this is that what was taken to the election—which is not your issue—is not what the role is. That is essentially what people expected the ag commissioner to be, which may lead to why some people, as Mr Quinlivan said, are a bit confused about the role. There was a communication with the electorate about what the role was going to be. The role has now been created with that same title, but the title does not match what was discussed during the election campaign.

The Hon. CATHERINE CUSACK: I do not think they can really comment on that.

The Hon. MICK VEITCH: No, no. I guess I am just qualifying why I asked that series of questions, that there is that confusion.

Mr HANSEN: I would just say on that that the work that is being done at the moment by the ag commissioner is essential pre-work that will be required for any next steps that industry are championing and had been championing in the lead-in to the last election, and has been communicating as its ambition about where these roles end up. The pre-work about being able to identify what the issues are—whether the issues do need a regulation fix, a communication fix, an engagement fix, an education fix—there is a whole range of policy levers that might well be presented that may not solely be in the domain in that immediate solution phase that the industry presented as, "This is what we prefer."

The Hon. MICK VEITCH: I think I will be pretty interested to see how you look at scoping this out after you finish this body of work, Mr Quinlivan, going forward—as will the sector. Thank you for your time, Mr Quinlivan. I think I have pretty much exhausted those questions, unless I need to come back. I want to talk about biosecurity if I can. How long have I got?

The CHAIR: Forty seconds.

The Hon. MICK VEITCH: In the very short time that I have, I will flag that I am going to ask questions in the next 20 minutes about biosecurity and matters arising from that.

Mr HANSEN: Excellent.

The Hon. CATHERINE CUSACK: If I can just suggest, if people do not have questions for the NSW Agriculture Commissioner, that he could have an early mark?

The Hon. MICK VEITCH: Yes, we could probably let him go. I think we have—have we exhausted—

The Hon. CATHERINE CUSACK: But it depends. I am not—

The CHAIR: Certainly I do not have any questions lined up for the Agriculture Commissioner.

CORRECTED

The Hon. EMMA HURST: I do not either. Justin?

Mr JUSTIN FIELD: No.

The Hon. MICK VEITCH: No, I think we have pretty much exhausted ours. We could probably release him.

The CHAIR: If there are no questions—and, obviously, if it is okay with you, Mr Hansen—we are happy for the Agriculture Commissioner to be excused.

Mr HANSEN: Yes, definitely.

The CHAIR: Everyone else will be jealous.

Mr HANSEN: You have already tied my hands on the extension of contracts with him now, so he can go home! It is fine.

(The Minister withdrew.)

The Hon. EMMA HURST: Mr Hansen, I have some questions around cages in the egg industry. Can you explain to me what your role is in the development of the national standards for poultry? What meetings do you attend and how often? What is your role specifically within that process?

Mr HANSEN: My role is going to come back into play once we get the draft report or the report from the independent panel on poultry standards.

The Hon. EMMA HURST: When do you expect to see that?

Mr HANSEN: Imminently.

The Hon. EMMA HURST: Any day now?

Mr HANSEN: Yes. I think an extension was asked in their timing late last year, but that should take us through to now. That is obviously a contract that is managed by the Federal Government. Our job then will be to consider what is being proposed by that panel to provide some State-specific commentary on economic impact, animal welfare impact, social impact and community impact for the Minister and his Cabinet colleagues to consider, and preparation for the Minister going to a meeting of his peers for a conversation around adoption of a national standard.

To your earlier question to the Minister with regard to national standards, it is probably worth pointing out that whilst national standards are obviously the preferred approach and have been agreed to at those national meetings, each State has taken its own approach in terms of turning on those standards within its own State legislation. New South Wales is one of the few States that has actually turned on or referenced the majority of those standards. There are a number of States that have not turned on or referenced a number of those national standards—

The Hon. EMMA HURST: Sorry, is that the—because there has been only one topic so far, has there not? Or are there two?

Mr HANSEN: No, there has been a number of topics. There has been transport—

The Hon. EMMA HURST: Sorry, I was thinking animal stuff. Animal transport—

Mr HANSEN: Animal transport, the cattle and sheep standards, and saleyard standards. A number of those—I do not have them all at the top of my head—that have been agreed nationally are implemented at different time frames and in different ways across jurisdictions.

The Hon. EMMA HURST: But New South Wales has been the closest to what those national recommendations were?

Mr HANSEN: That is right. I think South Australia might be the other State that has adopted the majority.

The Hon. EMMA HURST: With regard to the poultry standards, will it be your role to provide advice to the Minister as to whether or not New South Wales should endorse various standards?

Mr HANSEN: No, we will certainly be providing the input into that decision-making for the Minister. At the end of the day, as you would be aware, most of these codes involve some form of trade between those various elements. That is where the Minister will be arriving at a decision based on conversations with his Cabinet colleagues, obviously.

CORRECTED

The Hon. EMMA HURST: With all animal protection groups against the use of cages in the egg industry, but with some in the industry still wanting to keep them, how do you deal with that conflict within your role in providing that advice?

Mr HANSEN: I guess we always turn to, "Is there science and evidence around benefits or disadvantages to animal welfare outcomes, not only around behaviours but also disease, nutrition, et cetera?" This is part of the complex challenge around being able to make standard sets of recommendations. But we will be looking at that evidence and looking at the advice. I guess if this had been a simple one to resolve it would not have required an independent expert panel to come in and to re-look at the quantum of data, evidence and experience. But we will certainly be weighing those up, having a look at the work that it has done and looking as to what the path forward needs to be, not only for confidence for the industry but also confidence for consumers and improving animal welfare outcomes.

The Hon. EMMA HURST: Given that this panel, as you say, is a panel of experts, will that kind of lean heavily based on those recommendations as to what you believe that you will make your conclusions with regard to the draft?

Mr HANSEN: Until I see the report I really cannot make comment on that. But you would expect, given the calibre of people involved, that they have not been lightly arrived at.

The Hon. EMMA HURST: In your role, have you actually put forward any position regarding the continued use of cages and whether or not they should be allowed within these standards?

Mr HANSEN: We have not put forward a formal position, no. I have had a chance to talk to that independent panel when it was first established for it to get a bit of what the scenario is in New South Wales in terms of production size, the facilities, where they are located and how it operates from our perspective. I guess the one thing we have consistently indicated is that government in the past has changed rules, requiring significant infrastructure investment by industry, only then to cause question or concern about whether those rules are going to outlive the length of that infrastructure that they have been forced to invest in. Security of the decisions that are made for both the community as well as for the industry is going to be critical, so that you maintain confidence and have an industry that is able to plan forward its investments and what its opportunities may or may not be.

The Hon. EMMA HURST: With this draft copy—I am assuming that will be an internal document when you say it is coming imminently—when will that eventually become public?

Mr HANSEN: That is a good question. I will have to take that one on notice. The time frame for that to be considered by Ministers and then the path forward beyond that I would have to take on notice. I am not sure what that—

The Hon. EMMA HURST: Do you think it will be this year?

Mr HANSEN: Certainly, yes.

The Hon. EMMA HURST: With the animal welfare—

Mr HANSEN: Sorry, did I just say "certainly" around a time frame that involves Ministers from multiple jurisdictions? If I did, then that was a misstep. "Hopefully" is probably the correct word to use.

The Hon. EMMA HURST: Hopefully. What about the NSW Animal Welfare Action Plan? Is that still on schedule based on the revised schedule?

Mr HANSEN: Well, I think in the second reading speech that the Minister gave for the penalties bill that went through the lower House he reiterated and reconfirmed the end of 2021 as the date for introduction of a new reform bill and so we stay on schedule for that.

Mr JUSTIN FIELD: Mr Witherdin, if I could start on some of these questions around this review that we talked about earlier, when is that review likely to be completed?

Mr WITHERDIN: The exact timing is to be determined because as I sort of said earlier, we still have the terms of reference to be signed off by both Ministers. But my expectation would be later this calendar year.

Mr JUSTIN FIELD: It is just going to run up into the five-year statutory review, though, is it not? Chances are?

Mr WITHERDIN: No.

Mr JUSTIN FIELD: No?

CORRECTED

Mr WITHERDIN: I expect that five-year statutory review will not be due until sort of August 2022 and we are really conscious of getting through this and any recommendations back to Ministers well in advance of that.

Mr JUSTIN FIELD: I just want to confirm, though, the code in its entirety is not specifically referred to in the terms of reference. That was a suggestion I think I got from your previous answer. Will there be components of it that will be in there?

Mr WITHERDIN: Yeah, yeah. Absolutely there will be components, but it will be focused on the recommendations of the Natural Resources Commission [NRC] review, the Audit Office review and then, you know, I guess a number of other aspects. But given the timing and the fact that in a relatively short time we follow up with these statutory reviews, we are really trying to keep that focus. It is a collaborative effort with Environment, Energy and Science [EES] in terms of how we undertake that. As you would be aware there has been a lot of change there in leadership over the past year so we are probably a little bit behind where we would like to be, but we have really dedicated some significant effort. In fact, I have a director dedicated to this from now through until the end of the year so we can ensure that we have that done.

Mr JUSTIN FIELD: Will the terms of reference be made public?

Mr WITHERDIN: That is up to the Ministers.

Mr JUSTIN FIELD: Is it the intention for the report to be made public? I remember how long it took me to get the NRC report made public.

Mr WITHERDIN: Yeah. Once again, that will be up to the Ministers as well.

Mr JUSTIN FIELD: Fair enough. I had raised some questions about schedule 4, the caps that exist for the equity component of the code.

Mr WITHERDIN: Yes.

Mr JUSTIN FIELD: I asked some questions of you back in 2019 in this same forum and got some more answers from EES yesterday. I think it was in conversations with the Environmental Defenders Office [EDO] where this three-year review and some of these components came up. So I have not looked at this particularly closely and how this has been reported on in the past. In the break I just went and had a look at the NRC report. It highlights that particular component, equity, as being the second largest in terms of clearing.

Mr WITHERDIN: Yes.

Mr JUSTIN FIELD: But it does not provide any information on the volume of clearing in comparison to the caps—or not that I saw in my quick reference. The Minister suggested that the caps have not been breached or have not been gone over in any area. I am just wondering on what basis he was saying that—what report or what statistics that are held was he making that claim based on.

Mr WITHERDIN: Yes. That would be based on advice we have given him in terms of internal analysis we have done on sort of all the equity certificates.

Mr JUSTIN FIELD: But they are public in some way. We would be able to go and have a look at how much land is being put forward to be cleared under those certificates. It does not necessarily mean that it has happened yet.

Mr WITHERDIN: Well, it is all reported by individual category on the public register, which you can access on our LLS website, so that is updated monthly, but not at a property level. That is not available on the public register. Should you want further information on that I am happy to take that on notice.

Mr JUSTIN FIELD: the Minister said there has been no breach of the caps. I am not sure how much your reporting breaks down where that type of clearing has happened. I know that there are different regions that are identified in the NRC report. Are you able to give us a sense region by region and the total volumes in that sector? Having a look on the public register it is difficult to sort of pull that together from what I can see.

Mr WITHERDIN: Yes. I mean probably the easiest way to do it would be via region—to have like an average amount approved for land management. But the cap only comes into play when you get to really large-scale properties because you just cannot find the offsets elsewhere. So in the coastal region it does not come into play. In the central region it does not come into play. You need a property of about 12½ thousand hectares before it actually becomes a constraint.

Mr JUSTIN FIELD: That is a fantastic segue. The last time we were here we were talking about the north-west pilot, I think.

CORRECTED

Mr WITHERDIN: Yes.

Mr JUSTIN FIELD: There was a suggestion that there might be a slightly different code required to deal with some of the complexities in those large areas. The large area code was another one that was talked about and there was also a pilot in the Monaro, I believe, that was flagged in the second reading speech by Mr Blair. At that stage I think there had been a bit of a discussion about that—some meetings with landholders. Can you give us an update on where those two pilots went and whether or not there has been further development of the north-west or large area code?

Mr WITHERDIN: Yeah, sure. We spoke earlier about the grasslands pilot. That was that contract that was entered into.

Mr JUSTIN FIELD: So that was part of that?

Mr WITHERDIN: Yes, that was part of that.

Mr JUSTIN FIELD: Okay.

Mr WITHERDIN: So that pilot is basically at its completion. That work has been independently peer reviewed. I think it was Wendy Craik who did that. Then there has also been a grasslands assessment tool developed as an outcome of that, which has been accepted by EES as well, who have been part of that overall project. In terms of the north-west or the large area code. I think there was a series of three or four meetings with the landholder reference group out there. We met in Walgett and there are representatives there from both Commonwealth agriculture. EES is part of that. There has been a report produced as far as that, but there has been no further development in terms of a specific code. The appropriate way to consider that or the appropriate time is part of the context of an overall review.

Mr JUSTIN FIELD: A statutory review, not the three-year one?

Mr WITHERDIN: Look, certainly as part of the three-year review, but ultimately that is up to Ministers in terms of whether they want us to consider that at that time.

Mr JUSTIN FIELD: Thank you.

The CHAIR: Mr Hansen and Mr Sloan, turning back to that document I gave you prior to lunch, if you turn to documents labelled 663 and 664—I know the numbers are slightly cut off but it is an email conversation between Leanne Wilson and a Jason Gibson. I am assuming Jason is some sort of legal counsel because he is offering some legal advice about the Barclay report and information being passed to Professor Barclay. Are you able to find that okay?

Mr HANSEN: Yes. In doing so we are flicking past a couple of questions that we have now had a chance to read. Do you want some of those answers? I know there are some people in the room who would be interested in getting them. Would you like us to revisit some of those ones?

The CHAIR: Yes, if you want to. We will cover this one first and then do you want to revisit them?

Mr HANSEN: Sure, but at the same time be aware that I am just going to be reading this one for the first time and I am likely to be having to take it on notice until I can read it through well.

The CHAIR: Yes. That is all right. I am hoping this one will not be too difficult. Jason states:

... parts of the commercial fishing stakeholder sector are not shy when it comes to challenging the department in court or submitting gipa requests ... I think it would be prudent to submit the request for legal advice regardless (mark it as urgent) – and if any issues arise you can request Kate/UTS to cease work and destroy the data if needed.

This is my first question: How many times have you been taken to court by commercial fishing stakeholders?

Mr HANSEN: I am only aware of the one.

The CHAIR: Okay. How many GIPAA requests have you received regarding the business adjustment program since it has been implemented? You might need to take that on notice.

Mr HANSEN: Yeah—almost as many as SO 52s. It will be a significant number.

The CHAIR: What was the exact data Jason Gibson was proposing Professor Barclay may need to delete?

Mr HANSEN: Without having read this through, I would expect, given from just your summation, which is always dangerous for me to assume we are talking about the same thing, but we would have had to have made individual details and data available to Professor Barclay as part of her data analysis. That individual data, obviously, we would not want them being disclosed where that was able to identify. And as you know, it is a

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rather small fraternity in amongst the commercial fishing sector. There is enough indicators at times for—even if we desensitise it in terms of removing people's names, certain quotas in certain regions for certain categories of licence will allow people to work out who is being talked about. It just would have been ensuring that Professor Barclay had the appropriate privacy protections in place and if not, that that data was going to be destroyed upon her reviewing it and analysing it and summarising it in her report.

The CHAIR: On notice, can you find out whether that data was deleted?

Mr HANSEN: Yes.

The CHAIR: You were going to go back to some previous questions.

Mr HANSEN: Yes, I think the first one is the question you asked about on 478 on the \$100 million worth of new shares. That number is actually derived from taking the total number of new quota shares that were allocated, converting them to kilograms, multiplying that by the price of the relevant species at the Sydney Fish Markets—that is what that share would be worth. Times them by three, because obviously the value of that share is not an annual catch but a perpetual ability to catch on an annual basis, to arrive at that amount. That is not spelt out there. It is apparently a formula that is used by the Australian Fisheries Management Authority [AFMA] and I believe it is a rough rule of thumb that is used by a number of commercial fishers in terms of determining values of shares but they obviously then apply their own premium or discount and non-interest.

The CHAIR: Thank you, that was helpful.

Mr HANSEN: The second one is on 549 about the 18 and then the eight and the nine. Basically if I had taken the time to read that actual square—and it is a little bit small—it is actually the fishers out of the whole process. You are right, it is only 18 that ended up in a situation where at the end of the share trading scheme they did not have the minimum number of access shares required to continue fishing as of December 2017 in that fishery. All of those 18, they were fishers who were prioritised for assistance because they were fishers that would not be able to continue their fishing operation and business as a result of not meeting the new access share quota limit.

All 18 were contacted; 16 offered to take the assistance in an expression of interest that the department then did out to all fishers to secure the access shares they needed to reach that minimum. The price they paid for those was the average market price that was paid during the scheme and the average price the buyers received was the average price that the sellers received during the scheme. So that 16 of those were able to continue fishing because they had subsequently the minimum amount of access shares required to continue fishing.

The reason it calls out that mud crab was excluded was there was no change in the access share quota limit for mud crab through that reform piece. The eight and the nine—there were nine fishers who did not get the outcomes, and these were all sellers of share packages. That "paradoxically rejected" was where they actually had buyers at prices but not buyers for their complete package and therefore it left the sales of those packages uncompleted, and in fact the bid was not able to be taken for that package of shares of different classes. So the Government had come through and cleaned up those ones. In addition, the "maladventure"—is that the word?

The CHAIR: Misadventure—the one misadventure.

Mr HANSEN: You indicated that you had been led to believe that it was someone who had not been in the first round and got inserted in the second round. That person actually had been in the first round and participated. In the second round, they thought they had entered and could show documentation. They thought they had entered via their mobile phone and hit "confirm" before the deadline. They had not actually entered the right password and so it had not entered a bid. They were excluded and they were not able to re-participate in any of the subsequent rounds. Therefore, they were one of the nine that missed out but they were subsequently picked up in an expression of interest and a resolution around those was also arrived at.

The CHAIR: Even though the rule stated that if you confirmed a bid in one but you lost out, you were automatically put into round two.

Mr HANSEN: They were automatically put into round two but they had changed their bid, and in changing their bid had thought that they had entered it and it had not entered. We can talk to the officer who made the phone call, but the phone call that was made to them, unlike what had been suggested, was actually to confirm with them that they were not able to participate and go forward in round three.

The Hon. MICK VEITCH: When did the department first become aware of the invasion of red-eared slider turtles?

Mr HANSEN: That is a good question and one maybe for my head of biosecurity over there.

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Dr TRACEY: Just a moment, if I could, just to pull this up.

Mr HANSEN: We can come back with that.

The Hon. MICK VEITCH: Essentially I have got a series of questions. What I am interested in is that these are pretty vicious little turtles and they are going to have a bit of an impact on a range of native fish, frogs et cetera. I note with interest that we are going to use a dog squad. Mr Hansen, can I just ask some questions about this dog squad for the red-eared slider turtle? How many dogs? How are they trained? Who owns them?

Mr HANSEN: All good questions, and hopefully—

Dr TRACEY: I can have a stab at that. I am not sure I know the number of dogs.

The Hon. MICK VEITCH: You can take this on notice if you wish.

Dr TRACEY: Yes. With the dogs, we use dogs for a range of different incursions including hawkweed as well, so they are very sensitive at picking up invasive species and they can be trained to detect. They have been quite successful in that detection and that has really helped us in some of those programs to get in early. That is a big focus for us in biosecurity; you have got to be able to act early, you have got to be able to get in and be able to detect with confidence. Dogs have assisted us in that early detection phase for a range of things.

The Hon. MICK VEITCH: So who owns the dogs? Is their care and welfare undertaken by the department or are we contracting them?

Dr TRACEY: Contracted in.

Mr HANSEN: They are contracted; they are privately owned. A similar scenario was utilised for red imported fire ants. When we had that outbreak at Botany we used, again, dogs that were trained to be able to detect the red imported fire ants.

The Hon. MICK VEITCH: Have you been able to determine when you first became aware of the invasion?

Dr TRACEY: I do not have that, sorry.

The Hon. MICK VEITCH: You can take that on notice.

Dr TRACEY: Yes. I will try to get back to you by the end of the session, if I can.

The Hon. MICK VEITCH: Which locations have been picked up where these little turtles have been sighted? That would be good.

Dr TRACEY: Sure. I can get back to you.

The Hon. MICK VEITCH: It just goes to the biosecurity stuff a bit more. We were talking with the Minister this morning about eradication moving to management, and everyone here knows that I am pretty big on weed infestations. Mr Hansen, what are the arrangements as they stand now in New South Wales for biosecurity? Do you have officers that are trained with a skill set that are then deployed in a range of places around New South Wales doing other activities and then if something happens, like the red-eared slider turtle, they are then pulled together as an emergency crew or whatever? Or do we actually have a crew set up in Sydney that then heads out? What is the process for our biosecurity in cases of emergency?

Mr HANSEN: There is probably three different layers. The first layer is Dr Tracey and his team, which includes the Chief Veterinary Officer, Chief Plant Protection Officer and Head of Invasive Species. They have teams around them that are specialists in the exotic diseases, the process, the protocols and who really set the priorities in terms of where we need to be investing our work in preventiveness in terms of surveillance, detection and building the response manuals for what happens when we get a red flag. They work alongside a whole group of staff that we have in our field operations across our research stations who are also trained and prepared to be able to be frontline staff, first-stage responders, to any outbreaks, when and if they occur, and also to deploy their skills. So we might have a plant pathologist working in a plant breeding program who can swing their plant pathology skills to help us with diagnostic of a plant pathogen or a plant disease.

Sitting alongside that is probably one of our most important planks, which is the field staff of LLS across the regions. For animals, they are well set up—district veterinary officers, regional veterinary officers who operate around each of the LLS regions and their capacity, their relationships, their knowledge on the ground to be able to move quickly as we need to. It is one of the advantages we have over a lot of other States. I think last year we had something like 360 days of LLS vets at saleyards across the State of New South Wales, not specifically looking for anything but looking for everything in those sort of interactions, which is one of our great frontline

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surveillance tools. On the plant biosecurity, again, we have biosecurity officers that are tasked across LLS to have those relationships with the landowners.

We also then have a next group, which is a whole lot of staff across different agencies, including the brand new agency of Resilience NSW, who actually have skills and capabilities in emergency management response. These are people who we train or are trained to be able to handle logistics, to be able to handle stakeholder communications, all of those pieces that are required. We keep a running balance of those in terms of when we need to reach out. Just before Christmas, we needed to reach out and say, for example, "We need to build a 60-person roster for this next period of time to be able to cover us through this next period." So all of those are working concepts. The one point I would make is—and this is something that John, David and myself have all talked about—there was a recent piece of work done for CSIRO by Wendy Craik and co. That basically identified the fact that there is no scalability to handle this increasing risk of and threats on biosecurity front. Instead of just adding feet on the ground within current frameworks, we actually have to think differently.

We have done this a couple of times in New South Wales; I know you and I have talked about this before. The red imported fire ant was a good example, where instead of us just contracting or recruiting additional New South Wales Government agents or staff out there, we actually used community groups, school groups—citizens of New South Wales as our frontline biosecurity officers. We equipped them and armed them up with technologies and tools that allowed them to become experts in identifying what a red imported fire ant was versus a normal ant. That same equipment allowed the moment they did take a photograph of something that was of concern, we knew exactly where and at what time and could send our experts. We have got to be doing more of this. We have been so lucky.

You raised khapra beetles. Those khapra beetles were first identified by citizens who saw them in packaging and in containers. The yellow crazy ant in Lismore—a citizen in Lismore raised that with us. More and more we are relying on the community and their interests and their connection. There has never been a better time for us to build that connection at the moment, because the community is very focused on biosecurity and on disease control. Once upon a time, the only people who knew what we talked about when we talked about flattening curves were us who were looking at invasion curves for diseases and trying to work out where to invest. Now it is standard language. Whilst between us and our fellow agencies we can reach in and bring a whole group of people who are trained to respond, the secret for our success going forward is actually how do we equip, arm and tool everyone in the State to act as a frontline responder on biosecurity.

The Hon. MICK VEITCH: That was really good. Thank you. How long have I got?

The Hon. EMMA HURST: Eleven.

The Hon. MICK VEITCH: I have a couple questions here from the member for Shellharbour to do with cockles. How many officers do we have undertaking compliance of cockles around Lake Illawarra?

Mr HANSEN: I might go to Mr Sloan.

Mr SLOAN: Across the State, we have 103 Fisheries officers. When we have issues arise in a particular region, we either have particular targeted activities or we address them with staff that are on the ground. In terms of the numbers of staff we have had in that region, I will need to take that on notice and come back to you with a specific answer. I can do that. I will just need some time.

The Hon. MICK VEITCH: You take that on notice. That is fine. As I understand—

Mr HANSEN: Sorry. Can I just add to that? One of the things about cockles is we have actually run specific targeted operations, which actually means that we bring specialist staff from across the State. It is not as though we will just have a number of staff around Lake Illawarra that we utilise. We will be bringing specialist staff from the North Coast and a whole range of areas to carry out functions for a specific operation.

The Hon. MICK VEITCH: If you could give us those details on notice, that would be fantastic. As I understand it, to harvest cockles, you have to have a recreational fishing licence. Is that correct?

Mr HANSEN: That is correct.

The Hon. MICK VEITCH: Okay. How many prosecutions have been undertaken in the last 12 months around Lake Illawarra for cockle harvesting without a recreational fishing licence? You can take that on notice too.

Mr SLOAN: There is a distinction to be made. There are some offences that are take of a species without a licence, there is also take of a species over a bag limit or possession limit that are with a licence.

The Hon. MICK VEITCH: That is my next question.

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Mr SLOAN: I can give you some figures that I have just pulled up now. Since September 2020 to February this year under Operation Stingray No. 2, which was in the Illawarra region, Fisheries officers have seized 8,242 cockles. There were 1,168 inspections conducted and 216 offences were detected. There were 141 field cautions, 63 matters were issued penalty notices on the spot and 12 prosecution actions were commenced. So far there is a total of \$26,400 in fines that were issued.

The Hon. MICK VEITCH: With regard to the cockle population in Lake Illawarra, has there been any formal assessment on the impact of the harvesting—if there has been any impact of the harvesting on the cockle population in Lake Illawarra?

Mr SLOAN: We conduct fish stock assessment activities right across New South Wales waters. Obviously with near to a hundred species that are harvested in one way or another by different sectors, we have to prioritise which species have those detailed assessments. There has been some assessment of cockles in New South Wales and the classification for the stock that is currently there is that the stock is undefined. That means we do not have enough information to categorically say whether the stock is being sustainably fished, whether it is depleting or whether it is improving. One of the things that is unique to the fishery for cockles is that they are distributed right out into the deeper water and where they are harvested is largely in the intertidal zone, but they are distributed right out into the subtidal area. That means that there is somewhat of a natural protection provided to that stock because it is largely caught in that intertidal zone.

The Hon. MICK VEITCH: Is there going to be any work done, then, on that population in Lake Illawarra?

Mr SLOAN: Yes, we do have some plans to do some specific assessment of that population but also mud cockle populations across New South Wales.

The Hon. MICK VEITCH: I have got some questions now relating to Local Land Services.

Mr HANSEN: Sorry. Just for you, Mr Veitch—2006 was the first New South Wales detection of red-eared slider turtle, but in Queensland in 2004. So obviously a significant time ago.

The Hon. MICK VEITCH: They are insidious little buggers. Local Land Services—it is to do with travelling stock reserves. If I can just get an understanding of the framework we now use to manage the TSR estate in New South Wales and what is LLS' role in that?

Mr WITHERDIN: So there was a statewide plan of management prepared. I think it was finalised last year. For the first time in the whole history of that network, we have got one overall plan of management and framework there. That is so we can get more consistency region to region, knowing that they are used as—particularly out through the central region, as a continuous highway. There have certainly been no, I guess, changes to the role of LLS in terms of their management in any way there.

The Hon. MICK VEITCH: What is the role of the local LLS in the management of the important estate.

Mr WITHERDIN: At a State scale, we have got a business partner for TSRs. That role was specifically to develop that plan of management, drive that overall level of consistency, and provide the framework and tools so that we get that similarity region to region. The resources then sit within each of the 10 regions because in Greater Sydney we do not have TSRs—there is one on the harbour bridge, that is the only one but it has not been used for a while. They are managed by local staff.

The Hon. MICK VEITCH: Post-the bushfires and the drought, what are we doing to recover our TSRs? How are we managing to ensure that we are giving those TSRs some important time to recover?

Mr WITHERDIN: I guess that is the upside of the really good season that we have got at the moment.

The Hon. MICK VEITCH: It is a cracking season.

Mr WITHERDIN: It is exceptional. Because paddocks are in such a prime state, the demand for our network is actually really low. The downside of that is that our income reduces as well to support that. At a local level they do the assessment of those before we lease those or have access to them, so that is like a ground cover assessment.

The Hon. MICK VEITCH: Does the ground cover assessment include weeds?

Mr WITHERDIN: Yes, that is certainly part of it. That, as you are well aware, is a really significant problem there at the moment, just like it is for all landholders. It is no different for us.

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The Hon. MICK VEITCH: Are you able to taken on notice how much each of the LLSs are spending on weed management on the TSR estate?

Mr WITHERDIN: I am happy to take that on notice. That is a key role for our biosecurity offices who are out there on TSRs on a daily basis. But we can provide that, yes.

The Hon. MICK VEITCH: There are leases across some of those TSRs. There are quite a few. I think there are 200-something TSRs.

Mr WITHERDIN: There is about 530,000 hectares under our management across New South Wales, yes.

The Hon. MICK VEITCH: As a young fella growing up I spent a fair bit of time chasing cattle's tail on TSRs. I see that Mr Fifield is laughing at that, but that is true. The leases that are across those TSRs, have we had many handed back? You talked about the low income at the moment, have people handed back any of those leases? Or is it just a lower uptake by the drovers et cetera because of the wet season?

Mr WITHERDIN: No. There are in some regions five-year leases on parcels that do not comprise part of a highway-type arrangement. There may be isolated parcels adjoining landholders. I am not aware of any that have been handed back. There is a generally lower demand from drovers, that is the thing.

The Hon. MICK VEITCH: Because it is season-driven?

Mr WITHERDIN: Absolutely. There was a really high demand at the start of the drought and as we got into that, we could not service that, and now it is the opposite of that. I am happy to take on notice and provide you any additional detail around that.

The Hon. MICK VEITCH: Thank you. In the short time that I have got, this morning we were exploring Monaro Farming Systems and the process around your organisation's approach to them for their funding.

Mr WITHERDIN: Yes.

The Hon. MICK VEITCH: You indicated that there was a staff member who is no longer with you.

Mr WITHERDIN: Yes.

The Hon. MICK VEITCH: Did that staff member leave of their own volition or have they gone on to something else within the organisation?

Mr WITHERDIN: We made an organisational change at that time. We had a standalone sustainable land management business unit and then as that got to a state of maturity, the functions of that integrated back in to the regional operations.

The Hon. MICK VEITCH: So they were with you and they were not at the regional level?

Mr WITHERDIN: That is correct. It was a standalone business unit that sat within the corporate organisation. It has now been integrated back into the regions.

The Hon. MICK VEITCH: When you say that they are no longer with you, the central agency—

Mr WITHERDIN: No, no longer with Local Land Services.

The Hon. MICK VEITCH: At all?

Mr WITHERDIN: Yes, that is right.

The Hon. MICK VEITCH: Okay, that is where I was going. I just wanted to know whether they have moved on within the organisation or whether they have moved on completely. So they have moved on completely?

Mr WITHERDIN: Yes, they have moved on completely.

The Hon. MICK VEITCH: They are no longer in the public service?

Mr WITHERDIN: Not to my knowledge, no.

The Hon. MICK VEITCH: I think this morning I also asked—and the Minister has taken a whole heap of information around this on notice—what is the process for board members on Local Land Services to declare their interests if they have interests, pecuniary or otherwise, in matters? There must be a process of governance that allows them to declare their interests? What is it?

Mr WITHERDIN: Absolutely. That is spelt out really clearly in the code of conduct for board members. There is an annual process where we ask them to declare that. Probably 90 per person of them are landholders to

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start with, so they declare that. Then at each meeting—so a local board meeting, State board meeting—one of the first things on our agenda is any conflicts of interest around that. There are really robust processes in play. There is a register that captures all that information as well.

The Hon. MICK VEITCH: And recorded in the minutes?

Mr WITHERDIN: Yes, if it is declared, it will always be recorded in the minutes of board meetings, as well as in the register, which we call for annually, but which people can add to at any time.

The Hon. MICK VEITCH: Is that register publicly available?

Mr WITHERDIN: Not that I am aware of, no.

The Hon. MICK VEITCH: Why not?

Mr WITHERDIN: I would have to take that on notice. I am certainly not aware of instances across the sector where conflicts of interest, whether for board members or executives, are made publicly available as such.

The Hon. MICK VEITCH: Could you take that on notice?

Mr WITHERDIN: I am happy to take that on notice.

The Hon. EMMA HURST: I have some questions about the use of animals in medical experimentation. Are they best put to you, Mr Hansen?

Mr HANSEN: Yes.

The Hon. EMMA HURST: The *2019 Animal Use in Research Statistics* were finally released in December 2020. Can you explain the process that means that it takes an entire year to compile that report and make it public?

Mr HANSEN: I can start and then I might turn to Dr Tracey. At the end of a financial year, obviously all the research institutions, training institutions and educational institutions start completing summarising their data from the year.² That all takes a significant period of time. As you know, everything from observation of animals through to the most invasive of surgeries is all captured under the reporting requirements. That is centralised and sent forward for the department, and that obviously then leads to our internal processes of checking and going back to those organisations. I think we have spoken in previous estimates of where there have been transcription errors in that data that have led to unusual numbers in any one year that we try to pick up before they get published. I might see if Dr Tracey wants to add anything further.

Dr TRACEY: Thank you. I do not have any further details on the report itself. There is an annual report, is that the report you are referring to?

The Hon. EMMA HURST: Yes.

Dr TRACEY: Its intent is to report back once a year. It includes the Animal Research Review Panel, which is a 12-member panel that is ministerially appointed. That is the group that will report back.

The Hon. EMMA HURST: With regard to the 2020 statistics, will they not be released until 2022? Is that the process?

Dr TRACEY: Yes, I guess that is the point you are making. The main point there is that it takes some time to collate those statistics.

The Hon. EMMA HURST: In the 2019 report with regard to dogs and cats used in research, which is the first time that information on those species has been collected, it says that there were ongoing efforts to reduce the colony by rehoming surplus animals. What is meant by the words "the colony"? What is that referring to? Is that a breeding colony or is it a specific term that it is referring to?

Dr TRACEY: I am not sure. I might have to come back to you on that one.

The Hon. EMMA HURST: Could you take that on notice to find out what that term is referring to?

Dr TRACEY: I am happy to do that, sure.

² In [correspondence](#) to the committee, dated 29 March 2021, Mr Scott Hansen, Director General, NSW Department of Primary Industries, provided a clarification to his evidence.

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The Hon. EMMA HURST: Does the Department of Primary Industries track how much money that comes from government that is actually spent on animal experimentation each year?

Dr TRACEY: I do not have that information in front of me at the moment.

Mr HANSEN: I do not think we do. Our primary concern now, obviously through the Act, is the welfare of the animals and the numbers of animals that have been used as opposed to the amount of investment. So I am not sure that that is something that we would have an accurate number on.

The Hon. EMMA HURST: Could you take that on notice, just to absolutely clarify that that is not recorded?

Mr HANSEN: Yes.

The Hon. EMMA HURST: Thank you for that. Several years ago, former Minister Niall Blair showed interest in making cats and dogs that are used in medical experimentation available for rehoming. I understand that that is now very much underway to happen in Victoria. Is that something that will be considered as part of the Animal Welfare Action Plan, to ensure that cats and dogs that are used in medical experimentation are offered to rehoming groups rather than euthanised?

Mr HANSEN: I know that we have worked with the Animal Research Review Panel, the panel that you used to be a member of, I believe, to develop those research animal rehoming guidelines for the research establishments.

The Hon. EMMA HURST: But that was just a guideline. I am talking about the mandatory—

Mr HANSEN: It was. At this point in time there are no moves to make that mandatory, but to continue to incentivise or encourage research institutions to, where possible—as you mentioned, over 44 per cent of cats that were picked up in the research reports in the latest year's data were just purely for observation—therefore, working out what categories, what animals are available for rehoming via those guidelines, and encouraging establishments to do that.

The Hon. EMMA HURST: You said "to incentivise facilities to rehome them". What sort of incentives are there for rehoming?

Mr HANSEN: I guess the incentive is the fact that they end up with a better outcome for the animal and, hopefully, for where the animal is being rehomed than what an alternative would be, so no financial incentive at that stage but an incentive about the outcome for both the animal and the recipient.

The Hon. EMMA HURST: I have some questions as well around shark nets. In 2019 smart drum line trials were run on the northern beaches. Have these trials completed and, if so, why have they discontinued?

Mr HANSEN: I will throw to Sean in a moment. There were trials. As you know, we started those trials with smart drum lines on the North Coast. We then moved down to the Sydney meshing program area and then down to the South Coast in a series of trials. Again what we were testing was whether both the gear and the guidelines for operations suited each of those aquatic environments. They are very different, as you know. Having completed the trials and demonstrated and proved the operation of the technology, both the gear and the guidelines for the operation of them, we moved past that trial phase.

The Hon. EMMA HURST: What does that mean, you have "moved past the trial phase"? Does that mean that you are looking to implement it in many of the locations that you trialled it?

Mr HANSEN: This is where we are at the moment with conversations with councils up and down the coast. Again you would be aware that we have conversations, again starting on the North Coast, in this environment. We have been talking to them about the full suite of all the tools that we analysed under that five-year research project and the trial project, everything from the smart drum line, the drones, the 4G responders, so I guess talking to them about the package of tools that are available to them to see what they and their community feel comfortable with, to give us some insight to be able to feed back to the Minister and to the Government about packages going forward that may be of use to—as the Minister highlighted this morning, it is not an either/or. All of those things are in the package as to what councils may want to use—

The Hon. EMMA HURST: Will you be guided by the councils on that? If the majority of councils come back and say, "We do not want to use shark nets anymore but we do want the smart drum lines, we do want XYZ," will that indicate what will actually be done in practice?

Mr HANSEN: We will be providing that information to the Minister. He and his Cabinet colleagues will obviously make a decision about what they want to do.

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The Hon. EMMA HURST: What conclusions came from the results of those trials that have happened with the smart drum lines? Were they found to be quite effective?

Mr HANSEN: Yes and I might ask Mr Sloan. He might have some detail. Natalie may want to offer some comment.

Mr SLOAN: I think actually Mr Hansen covered what we are doing at the moment quite well. We are actually out there consulting with councils right now. A number of those consultations have already occurred. We are basically informing the councils of that body of research that was conducted over five years. We have got Dr Moltschaniwskyj, our Director of Fisheries Research, here, who is participating in those consultations. So I think it might be relevant for Natalie to provide some input in terms of what is coming out of that consultation at the moment.

The Hon. EMMA HURST: Great. Thank you.

Dr MOLTSCHANIWSKYJ: In the consultation we have been presenting the results. The longest running trial has been up on the North Coast, which is three or four years, in which we can show what is being caught in terms of the target sharks as well as the bycatch and the survivorship. We have also then been providing the results for the relevant council area if we have done a trial in their area. You will be aware that we initially started off with it being purely research. So my scientists were putting a suite of different kinds of tags on and taking biological measures in order to try and assess that the drum lines were achieving the mandate of no harm to marine organisms before we then trained the contractors to then operate under the guidance of the scientists.

The Hon. EMMA HURST: With the survivorship and with shark-human interactions, what sort of results did you find from those trials with regard to the use of smart drum lines?

Dr MOLTSCHANIWSKYJ: We have now caught well over 800 animals, so target sharks. And it will be well over a thousand. I can give you the exact numbers. But we have actually killed relatively few compared to some of the other technologies around across those different areas. But the critical thing I would also point out is that we are picking up those tagged sharks again, which is giving us evidence that they are surviving and they are resuming their normal migration patterns north and south on an annual basis. We are seeing sharks turning up and doing that regular north-south on an annual basis.

The CHAIR: Turning to the Share Appeal Panel, how many appeals have been submitted to that appeal panel now?

Mr HANSEN: Mr Sloan can correct me if I am wrong but I think there are 23 appeals.

The CHAIR: In total have been submitted.

Mr HANSEN: Yes.

The CHAIR: How many have been heard?

Mr HANSEN: All have been heard.

The CHAIR: How many have been successful?

Mr HANSEN: I believe three.

The CHAIR: What was the result of those successful appeals?

Mr HANSEN: Recalculation of the correct figures for those three fishers.

The CHAIR: That would mean that they were given more shares that they would not have received in the market—is that correct?

Mr HANSEN: That is right but I will hand over to Mr Sloan.

Mr SLOAN: One shareholder received an additional two pipi shares and one beachworm share. Another shareholder received an additional five hapuku shares. The additional quota shares issued represent about 0.07 per cent and 1.3 per cent of those two different species or those share categories. That is the answer.

The CHAIR: From my understanding last year there was one appeal that was outstanding, from a Mr Brad Warren, and it was around pipis. There was difficulty obtaining someone that was independent from the industry to be part of that panel. Was that eventually resolved?

Mr HANSEN: That has been resolved and all appeals have been heard and decided.

The CHAIR: In his appeal did he raise concerns around the accuracy of catch effort in terms of share allocation?

CORRECTED

Mr HANSEN: We were not involved in the appeal process. His submission to the appeal panel—I am not aware of what he raised.

The CHAIR: Are you aware of those concerns though, about catch effort accuracy?

Mr HANSEN: The subject of catch record accuracy across all fisheries is a common topic.

The CHAIR: Obviously, then, you are aware of the funding application your department made, I think it was in 2017, for some Fisheries Research and Development Corporation [FRDC] funding to assist in what you called cleansing and validation processes for fisheries catch and effort data.

Mr HANSEN: I cannot recall a proposal in 2017.

The CHAIR: I can pass up the application for you if you like. You can have a look.

Mr SLOAN: Thank you, Chair. In a moment I will ask Dr Moltschaniwskyj to add a bit of detail to this. The first thing to say is that the information that is used to assess stocks for their health and status, the catch and effort information is collected from commercial fishers. That is common practice around Australia and around the world. That information is, in most instances, the most cost effective and the most common way of collecting data to then use for stock assessment. That information is also used in allocation processes, which was the case here in New South Wales. When that happened that information was provided to the fishers to enable them to review it and correct any errors and so forth that were there. It was then used as the best data provided by those fishers.

As I mentioned, that catch per unit effort information is used around Australia and there are issues that arise with commercial fishers recording that catch because, as you can imagine, fishers who are fishing at sea, landing their catch, record that catch, and after recording that catch there can be some inaccuracy, so it is not an uncommon issue. New South Wales picked that up with other jurisdictions as a national issue to try to address. There has been a national project set up that New South Wales is participating in to develop an algorithm that would, rather than having staff have to constantly go back to fishers and correct the data, it can actually be a more automated process that becomes more cost effective over time. That is the project that we are participating in. I might just ask Dr Moltschaniwskyj to add anything that I might have missed.

The CHAIR: As you are doing that, can you also inform us as to why you would persist with a business adjustment program when you have clearly identified that there are serious concerns about catch effort accuracy? And given that the Barclay report openly stated that there was no real baseline data for this reform, how do you propose to measure reform when either the data is not there or the data is inaccurate?

Mr SLOAN: I can pick that one up. The data that was collected and provided by commercial fishers was provided back to them to enable them to check it themselves.

The CHAIR: So it relied on an honesty system?

Mr SLOAN: Well, that data is provided as essentially a statutory declaration, so it is a legal requirement for fishers to provide accurate information. The project that we are referring to is a separate thing. It is about actually cost effectively being able to house that data and then analyse it so that it does not require that constant toing and froing with individual—

The CHAIR: So you did not actually go back and crosscheck their statutory declaration?

Mr SLOAN: We did.

The CHAIR: You did?

Mr SLOAN: And we provided that opportunity to every individual fisher that checked that information.

The CHAIR: No, they checked it. Did you check their accuracy? For example, one fisher I know of quoted that he caught 11.2 tonnes of blue swimmer crab with 100 traps in the water in a year. Now that seems highly impossible, but that is what he put down as his catch effort data. My concern is that the data was inaccurate. You did not actually go back and crosscheck and validate to make sure. Other than asking them, "Is this right?" there was no actual ground truthing. It was really relying on an honesty system.

Mr HANSEN: It was actually relying on them fulfilling their legal obligations, combined with ground truthing, combined with checking back with them, combined with then realigning those numbers, which was all very labour intensive. What this project was trying to do was to say in the current arrangements we have with commercial fisheries now in New South Wales, so much more is required to ensure that accuracy of quota given the fact it is the key tool for compliance activity that, to move away from the requirement for people looking at this data but rather coming up with systems that will do it for you and pick up abnormalities is a much smarter way to do it. It reduces red tape, reduces the amount of cost, and those costs obviously end up being passed on to

CORRECTED

the licence holders, so it should end up with a reduction in the actual cost of holding a commercial fishing licence if we can make the system work.

The CHAIR: So there was no communication from DPI to commercial fishermen saying, "Don't worry. If you made a mistake we won't change it"? Because that is what I have been told by commercial fishermen, that they were contacted by someone within commercial fisheries, i.e. David McPherson, saying, "Don't worry. If you make a mistake, we won't chase it up. We won't change it."

Dr MOLTSCHANIWSKYJ: Can I take that one?

The CHAIR: Yes.

Dr MOLTSCHANIWSKYJ: So, the fishermen submit their logbooks and then there is a team in DPI that transfers that data from the logbooks into the database. As they are entering it from the logbooks into the database they are looking at the numbers to see that they are complete and that they look like they should look, like they expect, so there is no additional zero by accident. If there is data missing or it looks like there has been some data that has been incorrectly provided, they will contact the fisher and ask them to double-check the data. As the scientists are then doing the stock assessment, they again are scanning the data to look for data that looks like it is an outlier, and they will then again contact the fisher and query them on that. But it is a statutory requirement that fishers are signing a document saying that this is their legal record of what they caught and we have to take that on face value.

The CHAIR: On notice, whoever can answer this, how many times did you go back and question the validity of what they were telling you? And how many times did you pull someone up for providing a false statutory declaration?

Mr HANSEN: We can definitely take that on notice, but I would say that the only context that what you have been told that one of our staff said makes any sense is in the context of that process that you just heard. If we identify a problem we do not go and change that unilaterally without the fisher actually being the one who gets notified and then changing it.

Mr SLOAN: If I could just make a correction, there were 40 appeals in total by 23 fishers.

The CHAIR: Sorry, what was that?

Mr HANSEN: It was 23 fishers, 40 total appeals among the 23 fishers, all of which were resolved.

The CHAIR: And they are all resolved?

Mr HANSEN: Yes.

The Hon. MICK VEITCH: I want to go back to LLS and the travelling stock reserves. On 6 March 2020, five TSRs were offered for tender in the North Coast LLS with a closure date of 20 March 2020. Have these tenders been resolved? Feel free to take it on notice.

Mr WITHERDIN: I would have to take that one on notice, but I would certainly expect so.

The Hon. MICK VEITCH: If you are taking it on notice, how many tenders were received in that the call for tenders? And were any of the successful tenders previously leasing TSRs as well?

Mr WITHERDIN: Yes.

The Hon. MICK VEITCH: So the fees that are collected for TSRs, any of the revenue that comes off a TSR, does that go into the consolidated LLS, so within your head office overarching accounts? Or does it go to the regional LLS for their use to administer and maintain the TSRs?

Mr WITHERDIN: All the money that is generated from the TSR network—we will make it clear here that it is sort of the only form of public land that does not attract funding other than for its use—is invested straight back into it, for the management of it, for pest and weeds, and so on. That is captured at a regional basis, but for LLS, although there is the 11 boards and regions, the bottom line is that we are one financial entity; we are one bank account as far as that works. So it all consolidates up into one budget. The legacy organisations—the catchment management authorities [CMAs] and livestock health and pest authorities [LHPAs]—were all discrete financial entities, and that is a very clear difference which people seem to sometimes not be aware of since we made that transition to LLS in January 2014.

The Hon. MICK VEITCH: Are you saying, then, that there is a cross-subsidisation, essentially—that the revenues derived from the TSRs are not sufficient for the ongoing maintenance and management of the TSRs?

CORRECTED

Mr WITHERDIN: The revenues are variable, depending on seasonal conditions there. But the challenges there around pest and weeds management, infrastructure and so on are pretty consistent. We have certainly been very clear that, at times, there is a shortfall in funding that network. Absolutely.

The Hon. MICK VEITCH: Most of those communities in the regions will tell you that they quite like their TSRs for a range of reasons. They have recreational, economic and also cultural values as well. How are we managing all of that? Have you sought additional funding to assist in managing those aspects of the travelling stock reserves estate in New South Wales?

Mr WITHERDIN: Yes, absolutely. That was part of the whole intention of having the statewide plan of management, so then we could categorise the network according to its productive values, its environmental values—because there are areas there with significant biodiversity that are really important to Indigenous communities, as you outlined, and recreational users. So there are all those uses. The funding that comes out of that is just from grazing, effectively—is what we draw there. So we built an overall business case as part of that to put forward. It was only in terms of getting that whole plan of management and looking at it as a network. There are various opportunities there into the future for greater income streams for that network as well.

The Hon. MICK VEITCH: There is a concern that they are being fattened up for sale. I cannot ask you that question because it is a policy question.

Mr WITHERDIN: It is a policy question. But certainly from a bureaucratic point of view, I am happy to absolutely debunk that. Absolutely.

The Hon. MICK VEITCH: Thank you. The office of drought recovery—is that Mr Barnes?

Mr BARNES: Yes, that is mine. The responsibility for that sits with Ms Dewar and up to the Deputy Premier, but I am happy to take any questions that you might have.

The Hon. MICK VEITCH: Essentially, I just want to know how many people are in the office of drought recovery, and what is their current activity post the drought?

Mr BARNES: I will just try to remember back, because I think Ms Dewar probably gave an answer.

The Hon. MICK VEITCH: Sort of, yes.

Mr BARNES: I think at the height of the drought there were about nine or 10 people full-time in that unit, led by a director. They had very active interactions with Dr Bentley because of the water infrastructure. We had James McTavish as the local water person offline doing that work, and interactions with every government agency because, again, at the height of the drought it was everyone's business. It is one of the reasons that that group was set up the way it was. There are now four officers and their focus is on building regional communities that are future ready. We all know that there will be another drought and we all know that we need to be better prepared the next time around to identify what the trigger points are for government to step into action.

So that is the focus of the work at the moment: pulling together a fairly significant report that we can put back to Government to identify the learnings that have come from both our response and the recovery after the drought. I have to say that Treasury have been very helpful. They have given us an allocation of money for us to undertake some fairly significant reviews into some of the measures that we put in the recovery effort. Those reviews are planned to finish, because they are significant pieces of work, by the end of this calendar year. They will be wound into this broader piece of work so that across the board, when drought comes again—and it will—we will be better prepared. That is the activity at the moment, Mr Veitch.

The Hon. MICK VEITCH: My dear old dad used to say that the time into a drought equals the time out of a drought—the recovery period. We have a cracking season now and feed and weeds are above the fence and all the rest of it, but there are still farmers who are going to take three, four, five or even six years to recover from the previous drought—before we even get to the next one and before they can even start the resilience process and preparation for the next one. I would hope the office of drought recovery is also looking at the period of time that it is taking for people to recover from the drought, because that is a pretty substantial body of work.

Mr BARNES: Yes, absolutely. As you would know, it is not just the primary producers. In those very small communities that rely heavily on the agriculture sector, just as the primary producers have been five or six seasons without income, the knock-on effects on the spend that occurs in those smaller communities have an impact that cannot bounce back just with one big season. That certainly has been taken into account.

The Hon. MICK VEITCH: Lastly on drought recovery, often forgotten is the effect of drought on our waterways. It has an impact on oyster farmers and commercial fishers as well; people often forget about that. Is the office of drought recovery doing any work with oysters and the commercial fishing sector around recovering from the drought?

CORRECTED

Mr BARNES: Obviously, our own Department of Primary Industries has been heavily involved in the review and the piece of work that is taking place. Many, many industry sectors suffered during the drought. I think I talked the other day about our mining sector having a major impact as well, as well as our value-added intensive livestock and ag sectors being impacted heavily as well. I am happy for Mr Hansen to talk about how his team are evaluating in that space.

The Hon. MICK VEITCH: Do you have anything to add, Mr Hansen?

Mr HANSEN: I might do so with an advertisement, if I can. As you may be aware, we are out at the moment with a drought survey. We have gone out directly to the 14,000 people that the Rural Assistance Authority [RAA] has dealt with during the drought period. We have also utilised networks like NSW Farmers and so forth. Obviously, anything you can do to assist in getting people to fill in the survey will help provide us with feedback and advice of what has helped them. I think a couple of our teams have actually given evidence to the inquiry into drought response that is being held in the Legislative Assembly.

The Hon. MICK VEITCH: The other place, we call it.

Mr HANSEN: We have talked, in those circumstances, around how we have captured some of the stories of what has worked and what has not worked and turned them into a sort of document that is able to be shared with the next generation or the next series of farm managers, farm owners, agricultural operators and fishers who need to learn from the experience of those past. The survey is really to give us a bit of a guide as to who has used what and how they see that it has been able to assist them to help us set for next time around. The commentary around one good season does not make a resilient community—it is even more so when you get down below talking about agriculture or primary industries as a homogenous group of people. The variability between individual businesses, let alone the variability between the different sectors—the livestock industry is really buoyed at the moment by grass and feed, reduced supplementary feeding costs but increased livestock costs if you want to actually increase your herd or your flock quickly to be able to capitalise on the market opportunity and the grass you have got in your paddock. Hence, as you have been driving around the State you would see paddocks littered with bails, which is great because they will go back into sheds that have seen that depleted over the last four years.

The Hon. MICK VEITCH: Unless the mice get to them.

Mr HANSEN: Unless the mice get to them. Each of the sectors is responding differently. Another couple of seasons like this will be great. Now is the time, interestingly, that we are seeing an increase in conversations around family tables around succession planning. There is a new generation off the back of this season and off the back of coming out of the drought in which they are having conversations about, "What do we do from here?"

The Hon. MICK VEITCH: I would like to talk about the Young Farmer Business Program, if we could, which is an interesting way to move into that.

Mr SLOAN: Just to add to what Mr Hansen was saying about drought response, we did provide to the seafood industry support during the course of the last 12 months off the back of drought, but also bushfires and then COVID. There was a total of \$9 million in fee relief and stimulus provided to the seafood sector; \$2.1 million of that was fee waivers to the aquaculture industry. In addition to that, there was \$2.9 million in supply chain grant work for the oyster industry and \$2.9 million in sector development activity. There was quite a large package.

The Hon. MICK VEITCH: All those funds were expended? The figures you give are the actual take-up?

Mr SLOAN: They are the actual numbers.

Mr HANSEN: In many cases they are waiving the collection of fees and charges, which is the easiest way of ensuring that the money stays in the pockets of those operators. I might just say, if you want to go to the Young Farmers Business Program, as we do, part of the challenge is you cannot unpick the interaction between drought, COVID, fires and market disruption with China from the impact on all of our industries. I guess those who have got an eye or ear to Canberra and the Australian Bureau of Agricultural and Resource Economics and Sciences [ABARES] conference happening this week, that is coming through strongly. Whilst there is a positive story around the environmental conditions, there is the uncertainty into the future around market access. The positive overall story about continued strong demand for agricultural products around the world sets a positive framework, but the uncertainty around what is happening with China market access is the one cloud there that we are watching.

The Hon. MICK VEITCH: With the Young Farmer Business Program, on the DPI website there are survey results for 2016, 2017 and 2018. Did we conduct surveys in 2019 and 2020?

CORRECTED

Mr HANSEN: We did, and before I throw, is there any need for a declaration of conflict of interest between you and your relative, who is about to answer the question?

The Hon. MICK VEITCH: We should disclose that we are somehow related but I am not sure.

The CHAIR: You are not sure how you are related?

Mr FIFIELD: A long way away.

The Hon. MICK VEITCH: It is pretty distant. It is more than a couple of generations. It is a problem when you have a name like Veitch, you are related to everyone, as you could imagine. Those survey results—we did those in 2019 and 2020?

Mr FIFIELD: We have the annual scorecard out from the Young Farmer Business Program. For those unfamiliar with the program, it is run out of Dubbo and targets farmers or aspiring farmers between 18 years and 35 years, although we do stretch it every now and then. The report card varies—another solid year with 3,227 attendees at more than 93 events. The program also used social media to reach their target audience, nearly one million contacts through social media. COVID obviously impacted the small team—I think there are around four people—and their ability to get out and about with their programs around being ready for finance, being ready for farming and being ready to go to the bank. However, online we managed to reach a broad audience, and again, right across the State. Interestingly, the uptake within the fishing sector is also continuing to grow.

The Hon. MICK VEITCH: In 2019 and 2020 there were surveys conducted and they will be eventually made publicly available?

Mr FIFIELD: That is correct.

The Hon. MICK VEITCH: Do you know when eventually is?

Mr FIFIELD: Eventually is as soon as possible.

The Hon. MICK VEITCH: Before the end of the financial year?

Mr FIFIELD: Correct.

The Hon. MICK VEITCH: Of the \$6 million that was announced by former Minister Blair for this program, has it been fully expended?

Mr FIFIELD: The program completes its four years of \$6 million at the end of this financial year.

The Hon. MICK VEITCH: The evaluation of the program in its entirety will be publicly available?

Mr FIFIELD: Correct.

The Hon. MICK VEITCH: When can we expect that to be made available?

Mr FIFIELD: That will be part of the current drought evaluation as well. We cannot evaluate the completion of the program until it finishes at the end of this financial year. Beyond that we will be putting together a report showing the impact. The team is very savvy in identifying its impact across communities and that will be part of the complete evaluation at the end of the program.

The Hon. MICK VEITCH: Mr Fifield, I think you said "scorecard". Is that the same thing as the report card?

Mr FIFIELD: Correct.

The Hon. MICK VEITCH: As I understand it, the last scorecard or report card on the DPI website for the program is dated the financial year 2017-18. Will there be subsequent financial year scorecards or report cards posted?

Mr FIFIELD: For 2018-19, 2019-20?

The Hon. MICK VEITCH: Yes.

Mr FIFIELD: Correct.

The Hon. MICK VEITCH: That will be at the end of this financial year?

Mr FIFIELD: Correct.

The Hon. MICK VEITCH: What is the delay in 2018-19 being posted?

CORRECTED

Mr FIFIELD: I would have to take it on notice to check that it is not up there somewhere that we cannot find, where it is not identifiable. There are 47,000 assets on our web page, so sometimes things get placed in not the easiest locations to find.

The Hon. MICK VEITCH: Earlier people were saying they cannot find a phone number for the Agriculture Commissioner. That might be a question on notice as well. As part of the evaluation, will the program continue in its current format post the funding, or can we expect another version or variant of this program?

Mr FIFIELD: I think the opportunity for the Young Farmer Business Program is to show Government at the end of four years, like it has at the end of every year, the impact it is having. Our latest impact report shows that 71 per cent of the attendees, that is that cohort of 3,000, increased their personal capacity to make good business decisions—this is based on surveys that they complete when they finish our workshops. Sixty five per cent of them reported back to us that they have increased their business knowledge and skills and 63 per cent have greater access to business products and services. They are measuring the program throughout and, at the end of the four years, will have a complete picture. But the challenge now is to show Government the impact that this program can have heading out of drought into the next season, also how it can make sure that we maximise the next generation in growing stronger primary industries.

Mr HANSEN: Can I just insert, while the focus has been on the farmer bit of the F, we also have a number of young commercial fishers and also foresters involved in the program as well. That F in the abbreviation of the program is broader across farming to both our fishers and also foresters as well.

The Hon. MICK VEITCH: When you provide the details will that be included? That would be an interesting statistic to have a look at.

Mr HANSEN: Yes, and we can see if we do break that down. I am not sure on what level.

The Hon. MICK VEITCH: If you can take it on notice and get back to me.

The Hon. EMMA HURST: I want to go back and ask a couple more questions on shark nets. I was hoping if I could get a little more information with regard to the research on the SMART drumlines, whether there was a reduction in the frequency of shark and human interaction?

Dr MOLTSCHANIWSKYJ: That is a \$60 million question. It is very, very challenging to evaluate change and risk. Despite the fact that we have had some fatalities, which are really unfortunate and along with the attacks that often end up with permanent disabilities, they are relatively rare. Trying to track down something that is relatively rare, certainly the net data and the SMART drumline data up north has indicated that there has been a reduction in risk but we do not know by how much and I cannot quantify it for you, sorry.

The Hon. EMMA HURST: It is difficult with the low numbers. That makes a lot of sense. Thank you. With regard to the actual shark nets, how often are shark nets cleaned of animal carcasses?

Mr SLOAN: The nets are checked every 12 to 72 hours and that is the standard practice.

Mr HANSEN: The reason for the window is it is obviously contingent upon safe operating conditions and, therefore, ocean swells and things like that.

The Hon. EMMA HURST: Will that be a similar time frame for SMART drumlines as well?

Mr HANSEN: No.

The Hon. EMMA HURST: How often are they—

Dr MOLTSCHANIWSKYJ: SMART drumlines are constantly monitored. The SMART unit on the SMART drumline tells us as soon as an animal has taken the bait. The contractors are required to respond to a SMART drumline that is activated within 30 minutes. Typically they are there within 20 minutes. SMART drumlines are deployed daily and retrieved at the end of each day, so they are not left unattended at any point of time.

Mr HANSEN: The flipside to that is that they are only able to be deployed on days in which we can get access. If the bar is too high, or the sea is too rough, we cannot deploy because we cannot then put the contractors at risk of having to go out in those conditions to be able to retrieve.

The Hon. EMMA HURST: And I know that this is hard to quantify again, but how often, by estimate, would that be?

Mr HANSEN: I could not tell you but that is why we have a big variation in the number of contract days and how many days it actually takes for our contractors to be able to actually reach that number of days. It all depends on the type of season and the type of weather at any point in time.

CORRECTED

The Hon. EMMA HURST: Would you say it is a rare occurrence or is it quite common?

Dr MOLTSCHANIWSKYJ: Certainly over this last month, with the large storms up north, I have noticed that the SMART drumlines have been going out less frequently than they might do in calmer conditions. If you would like the exact numbers we can take that on notice.

The Hon. EMMA HURST: Yes, that would be really useful. How many published scientific studies have actually utilised the animal carcasses from the shark meshing program in the last 10 years?

Dr MOLTSCHANIWSKYJ: I think you have got that one, Sean. We will take that on notice.

Mr HANSEN: That being said, I saw some work that our scientists were doing at Port Stephens the other day in which they have actually been able to see in the skeleton and the backbone of the sharks—they have been able to correlate the growth rings in the calcium laying down in that backbone to age and correlate that to size to be able to get a rather precise indication of the age of animal from the size of the animal, which obviously is a great tool for us in terms of being able to do population studies and so forth.

The Hon. EMMA HURST: Is the Department of Primary Industries considering implementing a subsidy for the personal shark deterrence, similar to the programs that have been used in Western Australia? I know that people are being given a \$200 rebates to actually get their own for these?

Mr HANSEN: We do not have one at the moment. If we did, it would be a policy decision.

The Hon. EMMA HURST: Is it something that is being considered?

Mr HANSEN: Certainly at the time of the announcement of the shark strategy, and the research program looking into the tools, we had two different categories of investment: the category of the, sort of, landscape investment which are the SMART drumlines, drones and the 4G receivers that pick up the pings off the tagged sharks and notify swimmers or surfers; and we also made some grants available for individual researchers working in that personal protection space because we are very much aware, as the Minister said earlier, it is not going to be a silver bullet in our landscape protection. It is going to be as much about individual decision-making around risk, individual personal protections, supported by landscape-wide interventions or risk mitigations that will end up being the combination of tools.

The Hon. EMMA HURST: I will move onto some questions about exhibited animals. When the Department of Primary Industries cancels an authority to exhibit animals, what actually happens to the animals that are involved or are a part of that facility?

Mr HANSEN: My understanding is that we then work with both the exhibitor whose licence we are cancelling as well as similar exhibitors to assist in the homing of those animals into alternative exhibitors' facilities.

The CHAIR: The Committee secretariat will pass up a letter to you regarding the accuracy of catch and effort sent by Mr McPherson. I want to know whether it aligns with your recollection of what you were saying. I refer to the second page, the second-last paragraph in particular. It states:

Corrections will not be made to incomplete, false or misleading records submitted by fishing business owners or someone acting on their behalf ...

Is that how you would describe the department's attitude towards this?

Mr HANSEN: If you go back two paragraphs before that, it states:

Should you find any discrepancy between these summaries and your copies of the relevant records please complete the enclosed form ... so that it is received by the Department ...

Please note that corrections will only be made where a Departmental employee has incorrectly entered the information supplied on a ... Daily Catch and Effort Record log sheet.

The way I read that, Chair, is the paragraph to which you referred says if you have incomplete, false or misleading records that have been supplemented, they are not going to be fixed because they will not be included as part of this process.

The CHAIR: It does not necessarily say they will not be included. It says that you guys will not correct them.

Mr HANSEN: Incomplete, false or misleading records—bearing in mind that the maximum penalty for a commercial fisher who falsely misreports a catch is \$22,000 and three months in jail. The previous paragraphs here to me indicate that what was being asked for here was discrepancies between the legally required records that were held by the fishers and what we have transcribed them into in terms of datasheets that were supplied

CORRECTED

back. So that where there might have been, as was indicated before, someone had put an additional zero, or left out a dot or something, those were the ones that were being picked up. What this was an opportunity was for someone who had not been complying with their recordkeeping requirements and, therefore, acting illegally under the law to suddenly fill in data that they wanted to put into the mix for consideration during the share trading scheme.

The CHAIR: Mr Sloan, I refer to the pile of documents I gave you. I refer to the one marked 671, which is an email in which you were included to provide some guidance about what would go into a media press release about the Barclay report. You state:

I think it would be good to add a sentence along the lines of ... whilst the report identifies there are still some challenges we need to address ... it indicates we are on the right track, etc.

Given that we know from the Barclay report that she reports there was very little baseline data, you have admitted that you needed to spend over \$100,000 to address data shortages, in here, as after the fact. We have spent still an undetermined amount of millions on subsidising the share market that has put the majority of shares in the hands of share investors, not actual fishermen and potentially broken their own market rules to do so. You have got share investors moving shares around shadow businesses and paying no capital gains. We have got the prawn draws being manipulated. You potentially spent millions on buying shares after the market to throw them in the bin while fishermen actually needed them. You have got more traps in the water than ever before, yet commercial fishermen are struggling to reach the total allowable catch for blue swimmer and mud crab. Now we have got the Sydney Fish Market signing an agreement with Geraldton co-op in Western Australia to actually supply mud crab and other species to New South Wales consumers. I am just wondering where in the reform are we on the right track?

Mr HANSEN: Just while Mr Sloan gets ready to answer that, a couple of pieces you just put in there are bits that you raised previously. The issue with regard to prawn draws: You are not suggesting that prawn shares are being transferred between regions to influence their draw within those regions and then taken back out, though, are you?

The CHAIR: Yes. That is exactly what has happened.

Mr HANSEN: They can only be used in the region in which they are held. I am happy for you to get advice, but they cannot be transferred outside. They cannot be used—

The CHAIR: What prohibits them from doing that, though? Because it is happening.

Mr HANSEN: If you have got evidence of that happening—of people using their prawn shares in another region than that in which they are holding it to influence where they are at in a ballot draw—then can you make that available to us?

The CHAIR: Yes.

Mr HANSEN: Because it is an offence to be able to do that.

The CHAIR: Okay, will do.

Mr HANSEN: That is my understanding. You also came back to—and this was a comment you made before about the binning of shares. During the reform process there were packages of shares that were left over that did not have a buyer but there were sellers who were wanting to dispose of them as part of package deals. Rather than us taking them and trying to put them back out into the marketplace they were actually reduced, they were taken out and all existing shareholders of those classes got a lift in either their effort or quota because those shares that held effort or quota were taken out. So the same amount was distributed across a smaller number, which meant that they all got an equal increase based on the shareholdings that they had.

The CHAIR: You could show that in terms of the final allocation of people on notice?

Mr HANSEN: Yes.

The CHAIR: Thank you. Mr Field?

Mr JUSTIN FIELD: Mr Witherdin, I wanted to now turn to private native forestry [PNF] if I could. Where is the code review up to?

Mr WITHERDIN: As you would be aware, the draft codes of practice were put on public exhibition last year. That closed in late May. There were a total of 340 submissions made to that. They are all being considered at the moment and then they will be published on our website.

Mr JUSTIN FIELD: They will be published before there is a decision on a new code?

CORRECTED

Mr WITHERDIN: I guess that will be a decision for the Minister, I would expect.

Mr JUSTIN FIELD: When are you currently targeted to have a new code?

Mr WITHERDIN: Later this year.

Mr JUSTIN FIELD: How do I go about finding out how much timber was harvested through private native forestry last year?

Mr WITHERDIN: As you are aware, LLS took over the approval function for private native forestry from the NSW Environment Protection Authority [EPA] in April 2018. Compliance still remains with the EPA. The process there is that people who have plans in place do an annual return to the EPA; that is sort of like a harvest notification. I think they have got to be submitted by 31 March each year. The EPA would be the—

Mr JUSTIN FIELD: On your website the reporting template goes to a pnf.info@lls.nsw.gov.au email address. That is the annual reporting link.

Mr WITHERDIN: Not for notification of their harvest—

Mr JUSTIN FIELD: Of their activity?

Mr WITHERDIN: No.

Mr JUSTIN FIELD: This is from your website:

If you're a landholder, you're required to report to us at Local Land Services annually if you have carried out private native forestry operations in the previous calendar year, or if you plan to undertake private native forestry operations in the coming year.

You need to use the reporting template—

conveniently linked to here—

to complete the annual report. Annual reports are due at the end of March each year, and may be submitted to us by email at pnf.info@lls.nsw.gov.au.

Mr WITHERDIN: I will take that on notice. Certainly it will be a requirement of the draft codes that there be that pre- and post-notification to us, but my understanding is that reporting requirement sits with the EPA at the moment. But I am happy to take that on notice and clarify it.

Mr JUSTIN FIELD: That is on your website!

Mr WITHERDIN: I have not reviewed that page on our website, but I am happy to take that—

Mr JUSTIN FIELD: But you are saying LLS does not get that reporting? You are not the people to come to speak to about how much timber is taken out of PNF on an annual basis?

Mr WITHERDIN: We are the people to come to in terms of PNF plans that are being approved each year. Currently it is the EPA in terms of those annual notifications because its role is in compliance; there is a separation there. But certainly the proposal, in terms of the draft codes—

Mr JUSTIN FIELD: Do you have any oversight on how much timber is actually taken out? Does the EPA report to you? If you are going to issue new plans you actually have to comply with the NSW Regional Forest Agreements [RFA] across all forest types. You have to have an oversight of how much timber is coming out if you are signing up new plans. How do you do that?

Mr WITHERDIN: What we do track are the number of plans that have been approved, the—

Mr JUSTIN FIELD: But you do not know if the neighbour just took their whole private compartment out and you might have just issued new plans for all the people around them. You have got no oversight.

Mr WITHERDIN: What we track are the number of plans that have been approved, the area that that applies to, and then there is the process that sits with EPA in terms of compliance—there is that notification there. Then there is the *State of the Forests Report*, on an annual basis as well where that data is reported.

Mr JUSTIN FIELD: What data is reported in the *State of the Forests Report*? What are you referring to?

Mr WITHERDIN: In terms of the harvest notifications from landholders who have a PNF plan.

Mr JUSTIN FIELD: The harvest notifications, those annual reports on the *State of the Forests*—

Mr WITHERDIN: No, sorry, in terms of the number of plants and the hectares they apply to.

CORRECTED

Mr JUSTIN FIELD: Yes, that is all well and good, but that does not tell you anything about how many trees are taken out. I have got trucks running north through Milton every single day with logs on them. I know Forestry is not logging in the southern region at the moment; they have not for months. Every day these trucks are trundling through Milton. No-one knows where it is coming from. It is coming from PNF, clearly. Neighbours do not get told beforehand. The EPA does not know where it is coming from. You do not know where it is coming from.

Mr WITHERDIN: I think there is no doubt of where it is—

Mr JUSTIN FIELD: You know that someone's got a plan. I guess you hope that the people who are logging have got an approved plan.

Mr WITHERDIN: And if they have not, that is the role of the EPA in terms of compliance to step in there.

Mr JUSTIN FIELD: What we know at the moment is that Forestry Corporation, with the assistance of DPI, is conducting a sustainable yield review. How do you incorporate PNF take in that sustainable yield review? I guess that question is for you, Mr Hansen. I have got the last review here and it has got DPI on it. It is not really a Forestry document; it is your document.

Mr HANSEN: All the inputs into the frames modelling comes from Forestry Corporation and—

Mr JUSTIN FIELD: But what about the private stuff?

Mr HANSEN: Given you have got that one there, I do not think we actually reflect private native forestry in that sustainable yield report.

Mr JUSTIN FIELD: No, it was not so big back when we did this—but it is getting bigger, right? This is the problem.

Mr HANSEN: I know. Yes, we are seeing a shift in terms of where that balance comes from, and we are seeing a shift in it coming across borders as well. But the sustainable yield report, as you have got there, relates to that management of the public native forestry.

Mr JUSTIN FIELD: No, it is a requirement of the RFA, which includes all forest types, right?

Mr HANSEN: Yes, but it is a requirement to have that sustainable yield done for Forestry Corp's operations and compliance with EPA.

Mr JUSTIN FIELD: But it has to incorporate the private take as well, correct?

The CHAIR: Mr Field, your time has elapsed. You might be able to pursue this in the next round.

The Hon. MICK VEITCH: I now want to go to the Department of Regional NSW agriculture hub being established in Armidale. Mr Hansen, how does that work with the Orange office of DPI? I am just trying to get my head around how those two offices are going to work. The question is for either Mr Barnes or Mr Hansen, if you could start the process here.

Mr HANSEN: I might start. Obviously, there were four hubs that were identified in terms of areas to decentralise and to grow public service staffing numbers. There were four target areas given and targets set for the newly formed Department of Regional NSW. It makes sense, I think—the Secretary alluded to this on Friday at the hearing—we look for where there might be natural synergies because in all honesty we have got big teams in each of those four locations. We are almost tapped out in terms of our ability to decentralise DPI. In fact, the only thing that gives us any footprint, really, of any size in what is known as Greater Sydney is our Elizabeth Macarthur Agricultural Institute out at Camden, which is a specialist facility that is manned by specialist technical capability.

But when we looked around those four, Armidale was one in which we have both a strong presence at the moment not only within Armidale but in surrounding areas and have the opportunity to grow, given the partnership and growth we have in partnerships with the University of New England [UNE], for example, up there. So it was decided that we would try to put a focus on that to grow that area, that office—and not at the expense of any of our other regional centres and obviously maintaining Orange still as our headquarters for the department. But at the same time, when roles or opportunities came up that either were currently based in Sydney or in the Greater Sydney region, we would look to encourage or incentivise or advertise those in the first instance in Armidale to try to boost those numbers and create an increased critical mass up there.

We are looking at how do we consolidate the footprint that is up there at the moment because the department's officers and staff are currently located everywhere from the town all the way through to the

CORRECTED

university. There is a good reason for that in some cases, but at the same time the opportunity to have them collaborating closer is something we are doing across the State anyway. So our effort is: How do we drive staff out of our Greater Sydney region into that area or, as new roles are created, how do we look to position them up there? COVID has reinforced the fact that we can have staff working from anywhere doing the vast majority of their jobs—not all. Some jobs are very specialist in terms of where they need to be, but we obviously see great opportunity in sort of growing that Armidale region for us. We have a big footprint of staff in Tamworth, as you know.

The Hon. MICK VEITCH: Yes.

Mr HANSEN: We have staff across—we have staff at Glen Innes. We have staff at Inverell and Ebor so we are spread across that area, but we will continue to try to incentivise and to encourage new job creation or jobs being moved up to that Armidale region to help grow that up.

Mr BARNES: And just to point out that we are absolutely not forcing anyone who is currently engaged with us in the Greater Sydney area, Wollongong or Newcastle to move. So their jobs are safe in their current locations.

The Hon. MICK VEITCH: This is essentially, as I think we explored the other day, as jobs become available, like a new position, and someone applies, the opportunity would be for them to maybe then give consideration to going to Armidale.

Mr BARNES: Correct. As I said the other day, it is no good just saying, "Go wherever you want to", because people like to be around folk who are focusing on the same area of endeavour. Therefore, in Armidale it has an agricultural flavour. In the Queanbeyan area it is strategy, performance and regional development. At Coffs Harbour it is about public works advisory and out at Dubbo it will be about critical minerals.

The Hon. MICK VEITCH: Okay. And so Local Land Services with their main office here, are a part of the exercise of moving to the agriculture sector up at—

Mr BARNES: Local Land Services have such a very small footprint in the metro area it did not make sense for us to include them.

The Hon. MICK VEITCH: So they will stay where they are.

Mr BARNES: Yes.

Mr WITHERDIN: We do not maintain a head office anywhere. I am based in Newcastle. My support staff, my executive assistant, is in Walgett. My executive officer is in Dubbo. Yeah, we do not have a corporate head office anywhere in the State. We are totally distributed across the regions in about 100 locations.

The Hon. MICK VEITCH: The people in Tamworth are pretty close to Armidale. At some stage in the future is there an opportunity for them to move?

Mr BARNES: They certainly will not be forced to move to Armidale. Where it makes sense—as I said the other day, there will be some people who need to stay in and around the Greater Sydney area. If you look at public works advisory, for example, if one of those jobs becomes vacant and that job has specific responsibilities for doing building inspections in the metro area around structural integrity of high towers, we would want to recruit back into Sydney for that particular role. So it just needs to be a common-sense approach, really.

The Hon. MICK VEITCH: But if you apply for a promotion, for instance, and the promotion is housed or accommodated in Armidale, that is a different arrangement from just in your own level. It is a different position, essentially.

Mr BARNES: Yes.

The Hon. MICK VEITCH: As this is going on, is the Department of Regional NSW in any way exempt from the Treasury's efficiency dividend processes while you try to establish these new openings, new hubs?

Mr BARNES: No, we are not.

The Hon. MICK VEITCH: Redundancies in DPI: Have there been any offers of redundancies in DPI, Mr Hansen?

Mr HANSEN: In what time frame?

The Hon. MICK VEITCH: This financial year, essentially.

Mr HANSEN: There was one that I can think of. That was a role that was continued to assist with bushfire assistance. It was a previously terminated role, but we needed the ongoing assistance during the bushfires

CORRECTED

so we extended their contract out to enable them to do that. Outside of that we obviously have contractors or fixed-term staff that are linked to the length of research projects. As they come up for conclusion, they are terminated, and we have significantly, as you mentioned, over the past couple of years ramped up casual staff and fixed-term staff in some of our front-line administration of grants and assistance packages, subsidies and so forth. As those come to an end we are ramping down those numbers as well. But that is it.

Mr BARNES: None of our schemes of business have voluntary early redundancy schemes in place.

Mr HANSEN: We will continue the ebbs and flows as demands for new projects kick in and projects that we have going kick off.

The Hon. MICK VEITCH: So those ebbs and flows in the Rural Assistance Authority [RAA] is one of those organisations where, because of its very nature of its existence at the worst time—during drought, flood, bushfires—grant funds often go to them to administer. They increase their profile. What happens to the staff at the moment? If they are with RAA, are there staff moving into other sections, or do you just put them off?

Mr HANSEN: It is a combination of things. The short answer is we will be returning. I think our standing staff is around 26, 23 to 26, in the RAA. At the peak of the assistance packages last year I think we were up to 120 staff keeping up with applications. That has obviously tapered and tailoring off at the moment, and those staff are doing everything from going back to the roles they had in the things that they were doing outside of DPI before they put their hand up 18 months or 12 months ago to join us all the way through to being lucky enough to pick up on the back of a significant recruitment campaign by the Regional Investment Corporation [RIC] in Orange. We have had a number of staff go across to the RIC, which is great. It continues to build those bridges there. Others have actually gone elsewhere into the department as they have developed their skills and we have had vacancies come up elsewhere.

Mr BARNES: And some of them, as it happens—it has happened right across the department—would have been engaged as time-limited temporary contracts. When they come to the end of the life of that contract, if they were not previously engaged as an ongoing employee, their contract would lapse.

The Hon. MICK VEITCH: Which is the nature of the RAA's work. It has been like that for a while.

Mr BARNES: Yes.

The Hon. MICK VEITCH: Okay. I have a question that maybe is addressed to Mr Barnes. It is to do with western New South Wales and the wild dog fence.

Mr BARNES: I would love to take the front end of that question, but—

The Hon. MICK VEITCH: Mr Witherdin?

Mr BARNES: Mr Witherdin has control of rolling out that project, so he might be better placed.

The Hon. MICK VEITCH: If you do not mind then, Mr Barnes, I will talk to the person who is actually doing the job.

Mr BARNES: Yes.

The Hon. MICK VEITCH: Mr Witherdin, can you give me a status report on the extension of the wild dog fence?

Mr WITHERDIN: As you are aware, it is 745 kilometres both along the Queensland and South Australian borders. We are well and truly into sort of the advanced planning stages with that in terms of surveys that have been done of both alignments. There has been a 15-kilometre pilot project undertaken up near Hungerford on the Queensland border. We have put contracts out for the supply of materials for that and we are working through the environmental impact statement process as well. We are on track to deliver that by the end of 2022 at this stage; that is the latest report I have got to hand.

The Hon. MICK VEITCH: On the contracts that are going out for the supply and the work, are you doing that for the fence in its entirety or are you doing that in phases and sections?

Mr WITHERDIN: It will be broken up into sort of small packages, and deliberately so because we are really looking at the opportunity to activate the local economies, local contractors as well as Indigenous employment opportunities, which we have already had on the pilot project. That is a really critical element of this—breaking it into small parcels. Once we actually get through the approval process, construction starts. We will have construction going on in multiple locations simultaneously and that is why in the sort of back end of the project we should really be able to accelerate that construction.

CORRECTED

The Hon. MICK VEITCH: What was the purpose of the pilot study? What was that about? Construction of a fence of this nature is, I understand, pretty specialised and specific but there are people with those skills. What was the pilot about?

Mr WITHERDIN: It was specifically about that—because of the specialised nature of it—to really look at what lessons we could learn from doing a specific portion of that so really we could take away from that and then apply that to the various packages of work, everything from how we dispatch and store materials to how we sequence things to how we clear the alignment. We have worked really closely with the Border Fence Maintenance Board as part of that. A number of the board members have got specific expertise in this, so it is really an opportunity to learn lessons on that and then apply them later in the project.

The Hon. MICK VEITCH: So it should be finished at the end of 2022.

Mr WITHERDIN: Yes.

The Hon. MICK VEITCH: Is the wild dog eradication program in the Far West also an LLS program?

Mr WITHERDIN: Predominantly, but certainly DPI are part of that as well.

The Hon. MICK VEITCH: How are we undertaking that? Is it a mix of baiting and on the ground shooting? What is the program for eradication of the wild dogs out west?

Mr WITHERDIN: In the Western Division it is predominantly about aerial campaigns because of the large distances. That is the focus of it but then working with wild dog groups and individual landholders in terms of doing their own programs on farm as well.

The Hon. MICK VEITCH: How do we evaluate the program? How do we undertake the evaluation as to whether the campaign has been successful or not?

Mr WITHERDIN: The best indicator of that is really reports from landholders in terms of predation. There is that and then in terms of their own flock productivity in terms of breeding. As you sort of get on top of the wild dogs, that really improves significantly. It really relies on that feedback from landholders in terms of how effective it is. But I think there is a great opportunity here for the Deputy Director General of Biosecurity, if you would like to add something.

The Hon. MICK VEITCH: I am happy to hear.

Dr TRACEY: Yes, that would be great, thank you. We have got some really effective programs called Reset which started in the east and we are trying to apply out in the west and which is really about trying to tackle the problem at a landscape scale. That is all about aerial baiting at scale to produce long-term outcomes. It is really trying to get past the point where individual landholders are really struggling to keep on top of the dog situation to at-scale baiting to knock populations down to a level to maintain them at that level for a long period of time. In terms of some of the long-term benefits of that program but also in terms of detecting and managing impact, Mr Witherdin is correct in terms of stock losses being a key indicator. But in addition to that we can put tools like remote cameras to start to look at monitoring wild dog populations as well as DNA to understand the extent of those populations.

Mr BARNES: It is a good question, Mr Veitch, because I have asked this question every time I go to an LLS group. I remember I was at the one down at Cooma and very fortunately there was a farmer there who ran sheep and he said that for the first time in probably five or six years he could count twin sheep because wild dogs usually target the weaker of the twins. He said he had eight pairs of twins and that is unheard of, so there are ways to make sure that this works.

The Hon. MICK VEITCH: How do we monitor and assess the unintended consequences of the program out in the Far West? Are we unfortunately removing species other than the wild dogs?

Dr TRACEY: I think 1080 baiting is really target specific. It is a toxin that targets canids, foxes and wild dogs. They are highly susceptible to that toxin so the non-target issues are not significant. In fact, in a lot of those programs you are getting a lot of benefits back to the native animals in their ability to recover.

The Hon. MICK VEITCH: There were projects funded in 2018-19 and 2019-20 from the Aboriginal Fishing Trust Fund. If there were, why are they not listed on the DPI website?

Mr SLOAN: Thank you for the question. Some of those projects have not actually entered the contract stage yet with the providers. They do not get placed up on the website until they have actually got an established contract.

The Hon. MICK VEITCH: So they have been; they just have not been put up on the website.

CORRECTED

Mr SLOAN: They may not have been actually finalised yet because even though the application has been made and the Aboriginal Fishing Advisory Council and the Aboriginal Fishing Trust Expenditure Committee may have approved it and the Minister has approved it, there is then a process of negotiating with the applicant to settle on the terms. Sometimes for some projects that takes a little while. They do not get posted on the website until that is finalised.

The Hon. MICK VEITCH: Are you able to tell us what the total amount allocated was in the last financial year? You can take that on notice.

Mr SLOAN: I will take that on notice and come back to you.

The Hon. MICK VEITCH: I can see you are sort of looking to the sky trying to work it out. That is okay; take it on notice. When did the applications close for this financial year? Are they the year before and then they are funded in this year? Or because they are this financial year, the applications close in this financial year? What is the process?

Mr SLOAN: I have got that information; I will come back to you as soon as I can pull it out.

The Hon. MICK VEITCH: Okay, thank you.

Mr SLOAN: I do have a quick response for you as well, Mr Veitch, on the earlier question on the compliance resources at Illawarra. There are six permanent staff based at Port Kembla and there are three mobile squad staff based around the Sydney area that assist as well.

The CHAIR: The Committee has decided that the Chair of the Marine Estate Management Authority will not be required to answer any further questions. Mr Reichelt, you are free to leave or you can sit and watch the show.

The Hon. EMMA HURST: Going back to exhibited animals. Under an SO 52, I obtained correspondence between a New South Wales exhibitor and the DPI. The exhibitor said he had planned to drive three primates to a display location for eight hours, keep them on display for seven hours and then immediately drive them back for eight hours—so a 23-hour round trip. Is this an acceptable practice for an exhibitor?

Mr HANSEN: I would have to look into the greater details with regard to the code and what would be required.

The Hon. EMMA HURST: If you could take that on notice.

Mr HANSEN: Yes.

The Hon. EMMA HURST: In the correspondence that I saw as part of SO 52 he was told that the trip did not require approval because it was less than 24 hours. Is that your understanding of the correct application of the exhibited animals regulation?

Mr HANSEN: Again, I would have to take that on notice. But if that was the response that was given by our compliance teams who specialise in that field.

The Hon. EMMA HURST: Are you aware of any planned reforms regarding how exhibitors transport animals, particularly mobile petting zoos, as part of the action plan?

Mr HANSEN: You would like to think that the action plan that the Minister spoke to this morning in terms of wrapping those three Acts into one piece of legislation would give a complete reset to both the instruments of regulations and the instruments of codes—or standards and guidelines—out of that. So the short answer is it should be.

The Hon. EMMA HURST: It should fall into that?

Mr HANSEN: Yes.

The Hon. EMMA HURST: Does the DPI ever conduct unannounced inspections at events? So if people were to travel outside of the premises, are there ever any unannounced inspections at those locations?

Mr HANSEN: I might ask Dr Tracey if he can take that question.

Dr TRACEY: Thank you. The compliance teams certainly do conduct inspections that are unannounced. It is part of a program for the compliance team to make sure that there is compliance against that Act.

The Hon. EMMA HURST: Is that ever done when somebody is actually either in transit somewhere or at an event displaying animals rather than at their actual home base?

CORRECTED

Dr TRACEY: I might need to come back to you on that one, just to confirm.

The Hon. EMMA HURST: If you could take that on notice. If someone wanted to find out if a petting zoo had been subject to any disciplinary action by the DPI, or had been previously prosecuted or had their authority cancelled, how would somebody go about trying to gather that information?

Dr TRACEY: Can you repeat the question for me, please?

The Hon. EMMA HURST: If someone wanted to find out if a petting zoo had been subject to disciplinary action by the DPI, or had previous prosecutions, or their authority cancelled, how would they go about finding out that information?

Dr TRACEY: There will be, particularly in the case of where there is action taken, some confidentiality around those cases, pending court action or actions out of that. But we do report what we can in terms of the statistics on audits and inspections that are conducted.

The Hon. EMMA HURST: Say a child care centre was going to invite in a petting zoo, would there be a way to find out if that person had had previous issues?

Dr TRACEY: We will notify if we can, but often for individual cases like that it is difficult for us to be advertising those.

The Hon. EMMA HURST: But there is no way for the child care centre, if they had concerns, to reach out and find that information anywhere?

Dr TRACEY: Not to my knowledge.

The Hon. EMMA HURST: Not to your knowledge, okay. Are there any limits on the total number of animals that a petting zoo could have at any one time?

Dr TRACEY: I am not sure of that one.

The Hon. EMMA HURST: Could you take that on notice?

Dr TRACEY: I can take that on notice, yes.

The Hon. EMMA HURST: Are there any limits on the types of animals that a petting zoo could have, for example, if an animal is a threatened or endangered species or if they are a non-native, risk-causing species as well?

Dr TRACEY: In terms of limits on species, that is part of a process of application. So they would have to seek approvals.

The Hon. EMMA HURST: But are there any species of animals that they could not seek approval for?

Dr TRACEY: I am not aware of that.

The Hon. EMMA HURST: Could you take that on notice to try to find out?

Dr TRACEY: I can take that on notice, yes.

The Hon. EMMA HURST: How many staff at the DPI are there to oversee the breeding welfare acquisition of animals in exhibited animal facilities?

Dr TRACEY: I do have that information.

The Hon. EMMA HURST: While you are looking for that information, I have another question. My office was recently sent a number of Gumtree ads where people were selling exotic animals such as monkeys. Can you clarify what the rules are regarding advertising and selling exotic animals in New South Wales? Is that legal to do?

Dr TRACEY: Can I go back to the previous question?

The Hon. EMMA HURST: Sure.

Dr TRACEY: And then we can come back to that one. We have 42 officers who are authorised under the Exhibited Animals Protection Act.

The Hon. EMMA HURST: Are they also involved in approving new species and breeding and all of those sorts of aspects?

CORRECTED

Dr TRACEY: Yes, they are involved in that, but that might be another one that I would need to take on notice and get back to you.

The Hon. EMMA HURST: If you could take it on notice.

Dr TRACEY: Yes, thank you.

The Hon. EMMA HURST: And with regard to the Gumtree ads with exotic animals?

Dr TRACEY: I might take that one on notice too, if I could.

The Hon. EMMA HURST: Yes, sure. With regard to the new zoo in western Sydney, how many animals have been acquired in that zoo? Have any animals come in from overseas during COVID lockdowns to that particular facility?

Dr TRACEY: Which facility?

The Hon. EMMA HURST: The new zoo in western Sydney.

Dr TRACEY: Let me see if I have information on that one.

Mr HANSEN: We have had animals arrive in from overseas during COVID lockdown. Both they and their handlers underwent quarantine upon arrival.

The Hon. EMMA HURST: What animals were they? Do you know what species they were?

Mr HANSEN: The two young male elephants arrived on 24 October via airfreight and commenced a 30-day quarantine. They have completed their quarantine in the enclosure out there and they have now been released in with the solitary female elephant.

The Hon. EMMA HURST: Where did they arrive from?

Mr HANSEN: Dublin Zoo.

The CHAIR: Finishing up on the email that you were included in, Mr Sloan, you said that we need to recognise that not all is rosy with the reform. Can you elaborate as to what the department sees in the reform is not rosy? What is the department doing to address the non-rosiness?

Mr SLOAN: The report made it clear that whilst it is too soon for the industry to realise the full benefits of the reform, had the Government not intervened, financial loss, economic hardship and continued difficulty at the industry level would continue. The sorts of reform that have happened here in New South Wales have either happened or are happening around other parts of Australia because the situations exist. I was merely reflecting, and coming back to your earlier question, about me thinking that we are on the right track by providing that secure access right through allocating shares to the industry. It moves the industry—by having that asset and that secure access—from a more short-term survival strategy thinking to a more long-term planning and steward approach.

The CHAIR: Does it concern you that the Sydney Fish Market has signed a contract with a WA co-op to supply them with mud crab and other species? That indicates that we maybe have not secured our supply.

Mr SLOAN: Well, actually, the Sydney Fish Market takes seafood from all over Australia and that has always been the case. I might come back to my comment about it's not all rosy. I was simply reflecting on the fact that we know that the reform process has been difficult and we are through that period now. The fact that we are now moving forward and we are focusing on developing harvest strategies for the various fishing sectors means that we have actually got a plan to help and not just stay where we were but build on those benefits that came from the reform process.

Mr HANSEN: Mr Chairman, on that WA product across to New South Wales, I expect we are going to see a whole lot of new trade routes for products, especially WA products that would normally find their way out to China, especially high-value seafood products. As the market access challenges there continue to ramp up, they are going to look for where is the next best highest-paying market. When you have four or five million people sitting in Sydney with a relatively high disposable income, it is an attractive market to turn to if you are closed out of your other existing markets.

The CHAIR: Can I turn back to recreational fishing and the trust fund? I want to get an understanding about how GST works with the trust funds. Is GST collected as part of the funding process? How is GST treated?

Mr SLOAN: I was just going to say I am not sure and I will need to take that on notice.

Mr HANSEN: I was going to say I assume not, but will take it on notice.

CORRECTED

The CHAIR: If you do find that GST is collected, can you come back to us with some data—maybe the past three or four years—in terms of how much has been collected and how much has been paid back into the fund? I assume that if it was collected it would be returned to the trust fund.

Mr HANSEN: It would be refunded.

The CHAIR: Would that be a fair assumption?

Mr HANSEN: If that has been the case, we will make sure we include those figures in what we come back on notice on.

The CHAIR: The DPI Fisheries department, is that going through a restructure? I heard stories that there might be a bit of a reshuffle or a restructure. What would that look like for the different facets—recreational, commercial, aqua, culture, research, Indigenous, environment—what does that look like?

Mr SLOAN: When I started here, Chair, in New South Wales, which was February last year, one of the things that I did fairly early on in that time was have a good look at how DPI Fisheries was set up, how the organisation was structured to deliver to stakeholders. I have made some, I would say, fairly minor structural changes to the way we are set up internally. The main one to comment on is that rather than having two very separate groups—one focused on commercial fisheries and one focused on recreational fisheries—those two groups have been brought together so that the way we are set up is focused on managing the resource. Obviously, there is a need to sometimes drill down to the sectors and deal with issues at the sector level, but our overall focus is on managing the resource. That is one of the changes that we have made.

We have also separated out the coast and marine environment from the fresh water and have two separate leads on that now. We have also pulled all of the licensing, whether it is commercial fishing licensing or recreational fishing licensing, and more administrative functions out of the various groups and into one single group that is now a fisheries services unit delivering services. The idea there is to be more focused on our clients and stakeholders. They are the main changes we have made.

The CHAIR: On notice, would you be able to provide a bit of an organisational flowchart in terms of how that looks? Is that possible?

Mr SLOAN: Yes, that is fine.

Mr JUSTIN FIELD: Mr Witherdin, in my break I went and had a look at the most recent PNF codes and, yes indeed, annual reporting does go to the EPA on 31 March. But I just checked, and your website clearly points people who are doing PNF to your email, so you might want to clean that up. I got the sense from your comment before that it is the intent in the reviewed code for that reporting to be coming through the LLS, is that right?

Mr WITHERDIN: Yes, the draft code. Both pre-harvest in terms of notification and then post-harvest in terms of what actually happens, so a much better quality of data. We have had a concern there that it is underreported. While you were out I did check the website as well. It is on our website. I can confirm that we, only in the last financial year, had five submitted—two this year—but the code absolutely requires they go to the EPA. We are going to do a crosscheck there and make sure that we get that right. Look, I absolutely agree with you in terms of getting better quality and transparency of data.

Mr JUSTIN FIELD: Do you know the time frame—I know it is not your brief entirely, but you are a big contributor to it—when the Forestry Snapshot for 2019-20 is likely to come out?

Mr WITHERDIN: I am not across that, so I would have to take that one on notice.

Mr JUSTIN FIELD: Mr Hansen, you are not off the hook though because in the break I also went and confirmed that the RFA, and just using the southern RFA for an example, New South Wales clearly undertakes to manage leafminer timber resources for the State forest estate, and that in accordance with, as you point out, sustainable yield assessments is calculated using FRAMES, but the definition of forest estate is all forest in New South Wales—public and private. So how do you embed the take from private native forestry in your sustainable yield assessment?

Mr HANSEN: That is a great question because if it is all forest, both public and private, it is not just public native forestry; it is also the 7 million hectares of conservation forests as well. That is not something that I am aware has been built into either the previous sustainable yield reports or, in fact, the current refreshed 100-year sustainable yield report, which primarily has focused on where over 80 per cent of native forestry products have come from, which is that two million hectare estate under the control of Forestry Corporation. But as you identified, there is a significant change—off the back of this past two years—in those distribution and the access pieces. I dare say that is something we will have to take up offline, but have to take up post this in terms

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of thinking about how do we capture not only the activities within private native in that sustainable yield story but also how do we work on that remainder, in fact the bulk of the public estate, in terms of capturing that in that sustainable yield report as well.

Mr JUSTIN FIELD: Absolutely, because not only have private native forestry plans grown year on year in terms of the number of hectares it covers by on average 28,000 hectares a year, year on year since 2014-15, you would expect that to keep moving forward. If your boss get his way, probably it will be expanded, if the LLS Act comes amended as was proposed last year. If you are going to be forecasting 100 years out, PNF is going to be a bigger and bigger component going forward. Does that not make the sustainable yield assessment report that you are doing at the moment—you are about to have an independent assessment that is a little bit redundant before even gets out the door?

Mr HANSEN: No, not really, because it is still the vast majority of the timber-harvesting activity within the State.

Mr JUSTIN FIELD: Not last year. None of those trucks going through Milton are coming out of the State forest.

Mr HANSEN: I do not know whether they are coming across the border or whether they are just coming from private native forest.

Mr JUSTIN FIELD: Those mills have a lot of money to spend if they are bringing timber from Victoria to Nowra though. I really do not think that is happening.

Mr HANSEN: We talked about this last Friday. There has been an increase in timber coming across from Victoria. The most expensive tree for a mill is one that is not actually being run through their infrastructure while they are still paying for staff and that infrastructure to sit there, so they are looking at diversifying their supply route. That is something we have been seeing occur, fast-tracked over the past six months. We will be needing to work out, under those RFA agreements, how do we make sure that we are complying with the requirements for not just those parts of the New South Wales forest that are captured by the Forestry Corp or by the public native estate, but all the forest estates and the different agencies and different operators that work in that space.

Mr JUSTIN FIELD: And this may be a policy question to take up. I think we have discovered a bit of a gap here today, but in terms of the PNF code review—and understanding the potential impact here—it seems like having oversight for how much is coming out, in line with your decision-making about approving new plans, it can dramatically change the intensity in a particular region. I get the sense that given we have local mills calling for timber off the basis of reduced ability of Forestry Corporation to take timber out of the State forest, you will see quite localised pressure here. My suggestion is that we should be talking about how we are going to factor that in in any review outcomes, sooner rather than later, before there is new code.

Mr HANSEN: I do think that you have struck upon potential areas for significant improvement in this space. However, I have just been reassured that our compliance activities in meeting our obligations under the RFA—that FRAMES is actually specifically referenced in the RFAs. FRAMES is specifically bound to the public native forestry estate that is being managed by Forestry Corp. That is explicit in the FRAMES set-up. Therefore, at the moment, the Commonwealth has been comfortable in its agreement with the States on RFAs that FRAMES is delivering the outcomes of sustainable harvesting and sustainable yields out of that public estate and the PNF codes are dealing with sustainable harvesting and sustainable yields out of the private native estate.

Mr JUSTIN FIELD: But that is not referenced in the RFA, is it?

Mr HANSEN: It is not. But what is referenced in the RFA is the use of FRAMES for developing that, and the use of FRAMES is specifically referenced to using the public native forestry estate. I am not saying that fixes the gap, but it does explain why we are meeting our obligations under the RFA by using FRAMES in doing the sustainable yield reports the way we have, regardless of the fact that the changing nature of supply into the future potentially provides an opportunity for us to think about how we better utilise, how we better tap into and how we better coordinate across, dare I say, a nil tenure approach across the State. Too far?

Mr JUSTIN FIELD: Not for me; I am happy to talk nil tenure, as long as facts are facts and koala populations are koala populations. If we are going to protect them, we protect them on public and private land. So let us go with nil tenure for that.

Mr WITHERDIN: Just in terms of the number of plans approved, that has not increased at all and nor has the area.

Mr JUSTIN FIELD: No. But year on year, you are getting more.

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Mr WITHERDIN: Actually, in the past year it has come down slightly from where it was in the two years prior, where it came from EPA.

Mr JUSTIN FIELD: I do not have those facts yet, so they are not in the public space.

Mr WITHERDIN: Okay. It was averaging around 335 plans, I think, in the two years before it came across—in our last year.

Mr JUSTIN FIELD: No, just above 200.

The CHAIR: Justin, the buzzer has already gone.

Mr JUSTIN FIELD: You were out. I was taking advantage.

The CHAIR: You were. Mr Veitch?

The Hon. MICK VEITCH: That is called encroachment. I have a couple of questions in the very brief time that we have to close out today. I believe \$148,000 was allocated from the Recreational Fishing Trust for a stakeholder workshop or forum to discuss "fish screening technology to address the barriers and fast-track the adoption of fish screening on irrigation intake pipes". Has that forum been held?

Mr HANSEN: Yes.

The Hon. MICK VEITCH: It has?

Mr HANSEN: My understanding is it has been held. I think there was good publicity and media around it out around Dubbo.

The Hon. MICK VEITCH: Was the full \$148,000 that was allocated expended on that forum?

Mr SLOAN: I am not aware. I think I have got the figures, so I can quickly see if I can pull that up.

The Hon. MICK VEITCH: I am happy for you to take that on notice and come back. I just wanted to know whether it had been spent. I want to ask a couple of questions about the Dairy Industry Fund. Is the Dairy Industry Fund Advisory Committee still operating? Is it an active committee?

Ms LORIMER-WARD: My understanding is that it has not met in the past 12 months, but that the fund is still in place and that there is a small amount of money remaining in that fund.

The Hon. MICK VEITCH: When you say "a small amount", can you advise us how much, or can you take it on notice and tell us?

Ms LORIMER-WARD: I do not have that exact number, but I will.

The Hon. MICK VEITCH: That would be good. What is the future for this fund, if there is only a small amount of funds remaining in it?

Ms LORIMER-WARD: At the moment it has no new source of revenue for that fund. So it is not a revolving fund in terms of new revenues going in.

The Hon. MICK VEITCH: So it will—

Ms LORIMER-WARD: It will cease.

The Hon. MICK VEITCH: It will be exhausted?

Ms LORIMER-WARD: Yes.

The Hon. MICK VEITCH: Are there proposals for some new projects for this financial year out of that fund?

Ms LORIMER-WARD: I would have to take that on notice, but I have not seen anything come through to say that there is a call for those expressions at this stage.

The Hon. MICK VEITCH: Is that because the committee has not met?

Ms LORIMER-WARD: Yes. Part of that is actually waiting to see what the recommendations are in terms of the Dairy Industry Action Plan and whether there are initiatives out of that that that fund may choose to take on to support.

The Hon. MICK VEITCH: I guess that depends on how much funds remain as to just how much—

Ms LORIMER-WARD: Exactly. My understanding is it is under \$100,000.

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The Hon. MICK VEITCH: That low?

Ms LORIMER-WARD: Yes.

The Hon. MICK VEITCH: Mr Barnes, when I asked about the efficiency dividend, did you say that you are exempt from the efficiency dividend or that you are not exempt from it?

Mr BARNES: Not exempt.

The Hon. MICK VEITCH: Thank you.

Mr BARNES: Just like every other cluster across Government, we have an efficiency dividend that we need to realise across the forwards.

The Hon. MICK VEITCH: I just wanted to make sure that I did not mishear and then go away and say something that was incorrect.

Mr SLOAN: Mr Veitch, I have got the answer for you on the Aboriginal fisheries advisory council, if you like.

The Hon. MICK VEITCH: Yes.

Mr SLOAN: The original funding established over three years from 2017 was \$1.5 million. In 2019-20 there was an additional \$600,000 added to the trust. Seven projects have been supported in 2019-20, totalling almost 250,000. They are the projects that have not been finalised in terms of funding deeds. As soon as they are, they will go up on the website. That funding round closed on 19 May last year. The 2020-21 funding round is anticipated to open this quarter, so it will be sometime in the next few months.

The Hon. MICK VEITCH: You said seven projects. Is that the total number of applications, or were there some that applied but missed out?

Mr SLOAN: No, there would have been a number of projects that either went back to the applicants for further work and to come back in the next round, or that were not eligible for some reason.

The Hon. MICK VEITCH: So guidance is provided to the unsuccessful applicants as to why they missed out?

Mr SLOAN: That is correct.

The Hon. MICK VEITCH: Thank you.

The CHAIR: I believe there was a joint meeting between the CommFish and RFNSW regarding the issue of black marketing of fish. Can you confirm whether that did or did not happen?

Mr SLOAN: One of the things that we are doing as part of trying to bring the sectors closer together during their deliberations is to have CommFish—the commercial fisheries advisory council—and the Recreational Fishing NSW Advisory Council meet together. They recently met in Newcastle and had a joint meeting in between. The issue of black marketing of seafood was one of the agenda items that they were discussing together.

The CHAIR: My understanding is that the department's most up-to-date data was the Palmer report from 2004. Has there been any updated research done on the black marketing of fish because the Palmer report seems to have dropped off the department's website? So I was not sure whether it was taken down in preparation for new research being put up. Dr Moltschaniwskyj is shaking her head. Can you provide any insight into that?

Mr SLOAN: To my knowledge, Chair, there is no new work being done. I am happy to take that on notice and look into that.

Dr MOLTSCHANIWSKYJ: No, there is no new work that is being done in our department. I can find out why the old report has been pulled down.

The CHAIR: That would be great. Thank you.

Dr MOLTSCHANIWSKYJ: If you can provide me with more details of the report name, it might help.

The CHAIR: It was just *Report on illegal fishing for commercial gain or profit in NSW* by an M. Palmer, and it was written in 2004.

Dr MOLTSCHANIWSKYJ: Thank you.

Mr SLOAN: Chair, I have a response to one of your earlier questions about the protection of Murray crayfish and silver perch, if you like. Murray crayfish, silver perch and eel-tailed catfish are protected under the Fisheries Management Act here in New South Wales. Murray crayfish and silver perch are classified as

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vulnerable. Eel-tailed catfish is classified as endangered. There has been one permit issued to restock; one permit issued to translocate Murray crayfish—to move those crayfish from the Upper Murray to the Mid Murray; there has been one permit issued for conservation stocking of silver perch in the Namoi; and there has been one permit, which is a translocation permit, issued for eel-tailed catfish into the Murray River. In addition to that, DPI does a range of stocking activities for a number of different protected species—trout, cod, Macquarie perch, eastern freshwater cod, Oxlean perch, purple spotted gudgeon and olive perchlet.

The CHAIR: To clarify, were those permits given to recreational fishing clubs, conservation groups or others? You might have to take that on notice if you do not have that detail.

Mr SLOAN: I know that the eel-tailed catfish permit was given to a fishing group. It was the Edward Wakool Angling Association.

The Hon. EMMA HURST: I have some questions about duck shooting. A total of 1,554 birds were killed across New South Wales during the 2018-19 rice harvest period. How are these numbers actually calculated?

Dr TRACEY: I am not sure on those numbers. We do set quotas for ducks.

The Hon. EMMA HURST: Is it based on self-reporting?

Mr HANSEN: Yes. It is actually a requirement. It depends on which set of numbers. The quota numbers we can talk about in a minute, but I am interpreting your question is: How do we actually know the accuracy of those numbers?

The Hon. EMMA HURST: How do you gather the data? How do you verify the number of animals that are shot?

Mr HANSEN: Yes. That comes down to the fact that each farm is allocated a quota, a limit. John, do you want to talk about that reporting mechanism?

The Hon. EMMA HURST: I do not need to know about the limits. I am wondering how you actually verify that is the correct number?

Mr HANSEN: It is the data and the information reported back to us.

The Hon. EMMA HURST: It is a self-reporting process?

Mr HANSEN: That is correct.

The Hon. EMMA HURST: Based on the data on the DPI website, the number of rice growers had dropped quite dramatically since 2014 to just 100 but in the same period the number of native game bird management licensed properties had grown dramatically to 1,300. Do you have any explanation for the discrepancy in those figures?

Dr TRACEY: If I understand the question, there is a part there about quota setting?

The Hon. EMMA HURST: The number of game bird management licensed properties is 1,300 but the actual number of rice growers has dropped dramatically to just 100. Why is that going up if the rice growers are going down?

Dr TRACEY: I think they are two independent variables, basically. Rice season is dependent on water and the landscape. In terms of the number of properties—

The Hon. EMMA HURST: How does a property become a native game bird management property if it is not a rice property? Do you want to take that on notice?

Dr TRACEY: I might take that on notice as well, thank you.

The CHAIR: I am now looking at Catherine Cusack. She is gearing up for government questions.

The Hon. CATHERINE CUSACK: Yes.

Mr HANSEN: Can I seek your indulgence, Ms Cusack? There was a question that you asked about Gumtree advertisements for exotic animals.

The Hon. EMMA HURST: Yes, thank you.

Mr HANSEN: The keeping of exotic or non-Indigenous animals requires a permit under the Biosecurity Act. If we are aware of anyone holding a non-Indigenous or exotic animal without a permit then investigations

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are started and action taken. We had a case just recently where we prosecuted in relation to red-eared slider turtles, as we talked about before. That was an example of surveillance on Gumtree of someone trying to sell them.

The Hon. EMMA HURST: If somebody were to come across an advertisement for monkeys, they should send it on to you?

Mr HANSEN: Definitely, yes.

Dr TRACEY: There are a couple of other questions that you asked earlier that I can answer as well, Chair?

The CHAIR: Yes, sure.

Dr TRACEY: In relation to the exhibited animals, three primates to display, is it acceptable practice? What we saw there was the correct application of the exhibited animal legislation by compliance. The second one was: Does DPI conduct unannounced inspections at events or in transit? Only if a complaint is received. It is difficult to do that in transit. The next one was: Are there any limits on animals in a petting zoo? No, that is covered by the standards. There is no limit, provided that facilities and systems comply.

In relation to limits on types of animals, threatened or endangered. No, that is also covered by the standards. There is no limit on those ones. In relation to the number of staff at DPI, I think I answered that one, but there are eight main compliance officers and 42 authorised under the Environment Protection Authority [EPA], the Exhibited Animals Protection Act. Overall compliance and monitoring occurs through animal record sheets submitted annually.

The Hon. EMMA HURST: Thank you.

Mr HANSEN: I did make the comment that the Recreational Fishing Trust Fund forum on screening had been held. It is scheduled to be held. What has been held is the launch of the program, which was what attracted all the stakeholders together. The actual Recreational Fishing Trust Fund forum is scheduled to be held.

The Hon. MICK VEITCH: In Dubbo?

Mr HANSEN: Yes.

The CHAIR: No questions from the Government?

The Hon. CATHERINE CUSACK: No questions from the Government.

The CHAIR: Thank you very much for your time today, particularly this afternoon. You have taken several questions on notice and the Committee secretariat will be in touch. You have 21 days to get back to us with those answers. That concludes the hearing.

(The witnesses withdrew.)

The Committee proceeded to deliberate.