



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party
Date Referred: 21/01/2019

Proposal No: A276
Date Published: 18/03/2019

Proposal Title: Animal Welfare Plan

Cluster: Planning and Environment

General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	1,166	867	867	2,900
Depreciation	-	-	505	558	1,063
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	(1,166)	(1,372)	(1,425)	(3,963)

Capital Expenditure	-	1,700	-	-	1,700
Capital Offsets	-	500	-	-	500
Net Capital Expenditure:	-	1,200	-	-	1,200

Net Lending/(Borrowing):	-	(2,366)	(867)	(867)	(4,100)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	(2,366)	(867)	(867)	(4,100)
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Notes and costing assumptions

This policy proposes to implement a suite of wildlife monitoring and animal welfare reforms from 1 July 2019. The net total cost of these reforms is estimated at \$4.1 million over the forward estimates, including \$1.2 million of net capital expenditure and \$2.9 million of recurrent expenditure. The policy is as follows:

Animal welfare reforms

- Allocate \$2 million over the forward estimates to animal welfare agencies for specialist inspectors of puppy farms and online monitoring of puppy sales. This funding will be provided as capped grants.
- Allocate \$0.9 million over the forward estimates to establish a breeder ID system to monitor transactions at the point of sale.

Wildlife monitoring reforms

- Develop a licencing system for breeders and sellers of companion animals with capital costs of \$0.5 million to be absorbed within the Department of Industry, Innovation and Science (DOI).
- Create a specialist squad of wildlife crime investigators, comprised of staff from the Office of Environment & Heritage (OEH), NSW Fisheries and the NSW Police Force.
- Allocate \$1.2 million in 2019-20 to establish a state wide database that will record all incidents of wildlife crime.

Notes and costing assumptions continued:

Key cost assumptions

- The Department of Planning and Environment has advised that a wildlife monitoring function already exists in OEH with cooperation from NSW Police, and the incremental impact of this policy could be met from existing resources.
- NSW Fisheries would carry out a compliance enforcement function in a support capacity in cooperation with OEH. NSW Fisheries has advised that they would require \$4.8 million to carry out this function; the PBO considers the policy assumption that these costs can be absorbed is reasonable given the size of NSW Fisheries' budget.
- Legislative and administrative amendments would be required to enable cooperation between the OEH and NSW Fisheries for the wildlife squad as they currently operate under different legislation.
- The breeder ID and licencing IT systems would be amortised at a rate of 26.5%. This is the mid-point for system software and system hardware depreciation rates. The database would be amortised on a straight line basis over five years.

Regulatory reforms

The policy also specifies the following regulatory, legislative and/or administrative changes:

- restrictions on numbers of breeding dogs
- limiting the amount of litters in a breeding dog's lifetime
- undertake a Parliamentary review of the *Prevention of Cruelty to Animals Act 1979*
- introduce amendments to the *Prevention of Cruelty to Animals Act 1979* to permit local councils and animal welfare agencies to close illegal puppy farms without a court order
- use of the pet shop network to rehome unwanted companion animals
- update the Code of Practice around boarding kennels and catteries
- phase in mandatory TAFE Certificate II training in Animal Studies for employees in the pet industry
- mandate CCTV in all abattoirs.

The policy states that costs to implement the above eight changes are to be absorbed. The PBO notes the costs of a Parliamentary review could be met from within existing resources if incorporated into the forward work program of the relevant committee(s), but this would require agreement from the Parliament. The PBO considers it feasible for other costs to be met within DOI resources, noting that regulatory and legislative changes are normal business for government departments.