



**The Hon. Adam Marshall MP**  
Minister for Agriculture  
Minister for Western New South Wales

## **Budget Estimates 2019-20 – Thursday 31 October 2019**

### **Portfolio Committee No. 4 – Industry**

#### **Agriculture and Western New South Wales**

Questions Taken on Notice

#### **Question 01 (Page 2 of transcript)**

**The Hon. MICK VEITCH:** Thank you for your attendance this afternoon. I want to ask about the racehorse issue, which is more around the Prevention of Cruelty to Animals Act and the application of POCTA, so probably appropriate to Mr Hansen. How many inspections are you aware of that have been carried out in relation to horses being transported from Victoria to the Meramist Abattoir?

**Mr HANSEN:** I would need to take that on notice to give you a total number but, following investigations post the documentary or the 7.30 report, we are aware that there were three incidents in which the Commonwealth veterinarian on site at Meramist contacted NSW Department of Primary Industries [DPI] with regard to concerns about the condition of animals arriving. One of those occasions was with regard to a consignment from Victoria, so that was passed on to the Victorian department. Two of them were in regard to one operator out of New South Wales. Both times the information was passed on to the RSPCA, and they conducted investigations at that point in time.

**The Hon. MICK VEITCH:** Are those investigations still ongoing, Mr Hansen?

**Mr HANSEN:** I would have to take that on notice. I do not know where in that process they are up to.

#### **ANSWER:**

The NSW Department of Primary Industries received a report related to a horse being transported from Victoria to the Meramist Abattoir. The report was referred to the Victorian Government for investigation. The investigations are still ongoing.

## Question 02 (Page 2 of transcript)

**The Hon. MICK VEITCH:** I am led to believe that there were some racehorses presented for sale at Maitland saleyards and they were subsequently turned away, not to be sold. Are there guidelines for saleyard operators around the selling arrangements, or non-selling arrangements, for former racehorses?

**Mr HANSEN:** That is a good question. I am not aware if there are specific ones in place for saleyards with regard to racehorses. Obviously all saleyards operate under codes that spell out general animal welfare and handling practices for all livestock, and then there are subsets for different types of livestock, including horses, but I could not tell you what they have in place with regard to racehorses. Again, that is something that we could follow up with the saleyard industry.

**The Hon. MICK VEITCH:** Is there a process for prohibited buyers? Are there any prohibited buyers of racehorses in New South Wales?

**Mr HANSEN:** Not that I am aware of, no, but again we can check that.

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

**Mr HANSEN:** Yes.

### ANSWER:

Saleyard operators must comply with the *Prevention of Cruelty to Animals Act 1979* (POCTA). In addition, the Model Code of Practice for the Welfare of Animals: Animals at Saleyards is prescribed as a guideline under POCTA, and can be used as evidence in proceedings under the Act. They include guidelines for dealing with injured animals. The Australian Animal Welfare Standards and Guidelines for Saleyards and Depots have been endorsed by Agricultural Ministers. They require that a person must not present livestock that are not fit for sale. NSW is currently considering adopting them into legislation subject to normal policy development processes.

The Prevention of Cruelty to Animals (Land Transport of Livestock) Standards 2013 No 2 are mandated under POCTA, and include transport of horses. The person in charge must not load an animal that is assessed to be not fit for the intended journey, except in accordance with advice from a veterinary practitioner. A person in charge of livestock on a vehicle must inspect the livestock, including at unloading.

POCTA provides for magistrates to issue court orders prohibiting convicted individuals from having involvement with animals.

Racing NSW is responsible for regulating the racehorse industry, including the Rules of Racing.

### **Question 03 (Page 3 of transcript)**

**The Hon. JOHN GRAHAM:** What engagement have you had with Racing NSW up until now?

**Mr HANSEN:** Me? None to this point in time, but I would have to take on notice whether in the past our staff have been involved in any of those discussions.

**ANSWER:**

The Department of Primary Industries has not worked with Racing NSW on managing retired racehorses.

#### **Question 04 (Page 7 of transcript)**

**The Hon. EMMA HURST:** Do you have any information as to why the code was not reviewed between 1988 and 2013?

**Mr HANSEN:** No, I do not. Sorry.

**The Hon. EMMA HURST:** Do you know if there have been any changes in the code since 1988?

**Mr HANSEN:** Not within the code from what I am aware of. But, to be sure, let me take that on notice because I am not aware of what changes may have been made.

**The Hon. EMMA HURST:** The code also required a phasing out of calf roping by 20 June 1989 in a form "which permits the abrupt stopping of calves when roped". The relevant rodeo association recommended using a particular roping device for calves. However, calf roping involving the abrupt stopping of calves when roped as per that quote still occurs in rodeos around New South Wales. Is the department doing anything to comply with the code by phasing out that particular practice? I understand there was a change in the ropes or the device that was used for calf roping, but I am talking about the abrupt stopping of calves quoted specifically.

**Mr HANSEN:** My advice is that the two main rodeo associations covering this area—so the Australian Professional Rodeo Association and the Australian Bushmen's Campdraft & Rodeo Association LTD—have both phased out calf roping in a form that results in the abrupt stopping of calves when roped. The approved new roping devices you talked about can be used in calf-roping events but if a jerk down does occur, the contestant involved is fined and disqualified by those associations.

**The Hon. EMMA HURST:** Do you know if that has ever occurred?

**Mr HANSEN:** I do not have that in front of me, no.

**The Hon. EMMA HURST:** Could you take it on notice?

**Mr HANSEN:** Yes, I could.

#### **ANSWER:**

There is currently no timeline for national review of the rodeo code of practice.

The Code of Practice for the Welfare of Animals Used in Rodeo Events (1988) prescribed in POCTA has not been changed.

No. The Department does not collect information on occurrences of fined and disqualified contestants for jerk downs from rodeo associations.

## Question 05 (Page 8 of transcript)

**The Hon. EMMA HURST:** The number of animal enterprises in New South Wales is obviously extremely high and the number of animals kept in such enterprises is astronomically higher. In the interests of transparency and accountability, is the department aware of any information available to the public about the type of animal enterprises which get regularly inspected, and where inspections resulted in any kind of penalty notice or prosecution?

**Mr HANSEN:** Can I take that one on notice? I am actually not—I will have to take that on notice, sorry.

**The Hon. EMMA HURST:** That is fine. In regards to shade, particularly because Australian temperatures are getting hotter and summers are getting longer, which obviously causes a problem for livestock and other farm animals that are in outdoor situations, such as farmyards and sale lots, the current model codes of practice—and the endorsed national standards and guidelines, which have just come through for livestock—have little or no guidelines in regards to shade and shelter for animals. They allude to adequate shelter, but they are non-mandatory in the guidelines. Is there a formula the department uses to explain what "adequate" means if someone contacts the department to try to get more information about what sort of shade they should choose?

**Mr HANSEN:** I know that we have people in the department who can provide individual or tailored advice to businesses when they contact us on that front. More often than not that involves discussions about the site selection or the location we are talking about. I do not know if there is an existing formula, but I do know that in some of the intensive industries, for example, the cattle feedlot industry, there is quite advanced work on the programs for determining shade and how that interaction with shade plays both with humidity and also temperature. I will follow up with our technical experts to come back to you as to what guidelines or framework for advice they are providing to someone who comes to ask a question about what adequate shade looks like.

### **ANSWER:**

RSPCA NSW and Animal Welfare League NSW have information on their websites regarding their annual compliance and enforcement activities.

The *Prevention of Cruelty to Animals Act 1979* (POCTA) also requires that the approved charitable organisations RSPCA NSW and Animal Welfare League NSW provide the Minister with an annual report of functions exercised under the Act. POCTA provides that animals must be provided with proper and sufficient shelter, which is reasonably practicable in the circumstances for a person to provide.

There is no formula for adequate shelter as the circumstances vary across the State according to climatic zones, prevailing weather and commercial operation. To support the requirement for shelter, a number of livestock welfare codes of practice and standards and guidelines are referenced in POCTA.

The Australian Animal Welfare Standards and Guidelines for Cattle and Sheep are prescribed guidelines under Section 34A of POCTA. These Standards recommend that a person in charge must take reasonable action to ensure the welfare of cattle and sheep is not threatened by extremes of weather and that animals are inspected regularly to assess their welfare. It is recommended that where practical, cattle should be provided with adequate shelter to minimise risks to welfare during inclement weather. Sheep and lambs should be provided with adequate shelter which could include artificial shade if tree cover is not adequate.

The Standards also recommend that for cattle in feedlots, it is recommended that heat load management include the provision of shade.

The Australian Animal Welfare Standards and Guidelines for Saleyards and Depots have been endorsed by Agricultural Ministers. They require that a person must have effective means to minimise the risk to the welfare of livestock from extremes of weather. NSW is currently considering adopting them into legislation subject to normal policy development processes.

The Model Code of Practice for Pigs recommends that all pigs kept outdoors must have access to shade in hot weather.

### **Question 06 (Page 9 of transcript)**

**The CHAIR:** Okay. The person then goes on to claim that the last trust fund report of 2017-18 indicates a total revenue of \$10.4 million and you are quoted at the budget estimates saying that it is between \$15 million and \$16 million.

**Mr TURNELL:** Which year was that?

**The CHAIR:** For 2017-18.

**Mr TURNELL:** I would have to take it on notice. Revenue has been approximately \$14 million to \$15 million, and going up closer to \$16 million in recent years.

#### **ANSWER:**

The Fisheries Trust Fund report 2017/18 (available on the NSW Department of Primary Industries website) details that a total grant of \$10.3 million was received by the NSW Department of Industry from the Recreational Fishing Trust Funds to undertake various programs during that financial year. The total revenue received into the Recreational Fishing Trust from recreational fishing fees in 2017/18 was \$16.2 million.

## Question 07 (Page 9 of transcript)

**The CHAIR:** Thank you, that is those things cleared up. I had some supplementary questions about the Rock Fishing Safety Act. Some of the answers that came back are that other agencies are administering the collection of the fine revenue from non-compliance with the Act. Is that money still intended to go into the Recreational Fishing Trusts?

**Mr TURNELL:** It is a good question. I will have to take that on notice because I am not sure of the process of how we would go and find out from other agencies what they had generated in the way of fines.

**The CHAIR:** But one would assume that money would then come back.

**The Hon. TREVOR KHAN:** A royalty would be paid, which I think is 50 per cent—but I could be wrong. You do not get it all back.

**The CHAIR:** If you could take it on notice.

**Mr TURNELL:** I will.

### **ANSWER:**

The *Rock Fishing Safety Act (2016)* prescribes that revenue from penalties and penalty notices for any offences issued under the Act must be paid into the Recreational Fishing (Saltwater) Trust Fund. The NSW Department of Primary Industries (DPI) has been facilitating the transfer of revenue from penalty notices issued by DPI Fisheries Compliance Officers to the Saltwater Trust. The Office of Emergency Management and the Office of Local Government are responsible for administering the Act so matters regarding transfer of revenue from penalties issued by agency authorised officers other than DPI should be directed to the Minister for Emergency Services and Minister for Local Government.



### **Question 08 (Page 9 of transcript)**

**The CHAIR:** You would be aware, though, that when it first came out there was the contention that some of the approved life jackets would have been helpful in retrieving the body, but not necessarily helpful in retrieving the person alive if they were swept off the rocks—that it would actually hinder them.

**Mr TURNELL:** There were a lot of strong views on the lifejackets.

**The CHAIR:** Yes. Has there been any work done in terms of how you—

**Mr TURNELL:** I am aware that there was a task force or a working group looking at the lifejackets and what would be acceptable. I have not been involved in that, but I could certainly find out for you.

#### **ANSWER:**

In 2018, Transport NSW established a Lifejackets Standards Review Group with input from Roads and Maritime Services, the NSW Office of Emergency Management and DPI Fisheries among others. The Group conducted a lifejacket standards review of relevant International Standards to increase the number of appropriate lifejackets recognised under the Rock Fishing Safety Act (2016).

**Question 09 (Page 10 of transcript)**

**The CHAIR:** Have you done any work on the black cod threatened species around the desalination plant in Sydney around the intake tunnel? Has there been any work about that as a threatened species?

**Ms MOLTSCHANIWSKYJ:** Not that I am aware of specifically around the desalination. We do undertake periodic statewide surveys of black cod.

**The CHAIR:** And that is just a general—

**Ms MOLTSCHANIWSKYJ:** That is across the entire State. We have got an assessment of the stocks and the population size.

**The CHAIR:** Would you be able to provide that assessment of those stocks on notice?

**Ms MOLTSCHANIWSKYJ:** I can do.

**The CHAIR:** Thank you.

**ANSWER:**

	Total Black Cod Seen	Mean	Number of sites
Cape Byron Marine Park (Julian Rocks)	1	0.5	2
Solitary Island Marine Park	35	8.75	4
Pimpernel Rock (Commonwealth waters)	6	6	1
South West Rocks (Fish Rock)	5	5	1
Port Stephens-Great Lakes Marine Park	11	1.22	9
Lord Howe Island Marine Park	3	0.21	14
<b>Total</b>	<b>61</b>		<b>31</b>

## Question 10 (Page 12 of transcript)

**The Hon. MICK VEITCH:** Is there a time frame for that or is that up to the dairy advocate?

**Mr HANSEN:** I am not aware of a specific time frame other than as soon as possible.

**The Hon. MICK VEITCH:** The composition of the panel will be a matter for the dairy advocate. In going public now and seeking potential candidates for that panel, what sort of skill sets are they looking at?

**Mr HANSEN:** I have seen that. I will get it for you. I just do not have it here in front of me.

**The Hon. MICK VEITCH:** You can take it on notice and get back to me. The dairy advocate has a very—

**Mr HANSEN:** They are representatives from not only the production system but the whole of the supply chain, as well as independent advice around the dairy industry. That is the general composition. We actually have a make-up of that EOI that I will find in a minute.

**The Hon. MICK VEITCH:** And would there be someone with contractual law experience?

**Mr HANSEN:** I do not know if there is, actually. I will find that out.

### **ANSWER:**

As stated by Mr Hansen at the hearing, the composition of the advisory panel to the dairy advocate will include representatives from not only the production system but the whole of the supply chain, as well as independent advice around the dairy industry. This will allow for as broad a cross section of skills and experience as possible, including farmers, processors, retailers, researchers, service providers and anyone else with relevant dairy industry expertise and experience.

The EOI is not prescriptive and will not inadvertently exclude anyone who may bring something of value to the table. It was released on 7 November 2019 and will close on 30 November 2019. It is therefore possible that someone may have experience with contract law, however, if that expertise is lacking it could be sought if and when required.

As mentioned in the hearing, the Office of the Small Business Commissioner has a strong skill and capability in contract law and is able to draw upon the experience of appropriate staff in those areas.

**Question 11 (Page 13 of transcript)**

**The Hon. MICK VEITCH:** Is Mr Zandstra working every day as a part of his contract?

**Mr HANSEN:** No, I think it is three days a week—it could be four. Let me take that on notice. It is a three- or four-day a week. That is an average.

**ANSWER:**

Mr Ian Zandstra works a minimum of one day a week and a maximum of four days a week as part of his contract. This is designed to provide flexibility as some periods of consultation and delivery may be more demanding than others.

## Question 12 (Page 13 of transcript)

**The Hon. MICK VEITCH:** Is that due to consolidation within the industry of the herd?

**Mr HANSEN:** Yes, you would expect that would be the rationale for the decreasing number of enterprises but maintaining or increasing volumes of milk. Either consolidation or increased performance of those remaining in the industry. We collect data on this quite regularly. I am happy to provide longer term trends in terms of what this looks like over the last 10-year period.

### **ANSWER:**

Currently there are 575 licensed dairy establishments.

Over the ten years to June 2018:

Number of dairy farms declined from 860 to 626 (-27%)

Production per cow increased from 5420 to 6877 L/cow (+27%)

Milk production increased from 1.064 to 1.121 billion litres (+5%)

The long term trend has been decreasing farm number, increasing milk produced per cow and maintained state milk production. The trend during the current drought has been an accelerated reduction in farm number and decreased milk production. The key factor in maintaining milk production has been increased production per cow, achieved through improved genetics and management.

### Question 13 (Page 15 of transcript)

**The Hon. EMMA HURST:** Quickly going back to rodeos, when I was talking about the abrupt stopping of calves, you talked about consequences for jerking down. But when I look at the code "jerking down" refers specifically to a 180 degree flip of the calf onto his or her back, which occurs after the roping. I know you have mentioned a little bit about the consequences of that but do you know if there are any consequences specifically for the abrupt stopping of calves, which is an act before the jerking down?

**Mr HANSEN:** Yes, and I am sorry, you are taking me to a level of detail I am not—

**The Hon. EMMA HURST:** Would you be able to take it on notice?

**Mr HANSEN:** I certainly can.

**The Hon. EMMA HURST:** I have a couple of other quick ones regarding rodeos to take on notice, if you would not mind, in regard to the national process that you mentioned.

**Mr HANSEN:** Yes.

**The Hon. EMMA HURST:** If you could let me know if there is a timeline for that, if there is any publicly available information on that and whether there was or is going to be public consultation taking place in that as well. Last time in budget estimates there was news breaking about potential biosecurity breaches at Signium Piggery in northern New South Wales and there was footage from the piggery that appeared to show filthy conditions, sicknesses, rat infestations, floor and food troughs filled with faeces, decomposing corpses, et cetera. Are you able to provide me with any update on that matter?

**Mr HANSEN:** I know we had inspectors go out that afternoon, inspectors from Food Authority and RSPCA. There was feedback that day that the evidence onsite from those visits did not line up with what was in the video, in other words, the conditions were not replicated. That obviously is not an indication one way or another. I am not sure where that follow-up investigation is up to. If you are happy, over the course of the afternoon I might see if I can get an update on that for you.

#### **ANSWER:**

Clause 4.23 of the Code of Practice for the Welfare of Animals Used in Rodeo Events (1988) provides the minimum weight applying to cattle used in calf roping events and requires rodeo associations to have phased out, by 20 June 1989, calf-roping in a form which permits the abrupt stopping of calves when roped.

The Australian Professional Rodeo Association and Australian Bushmen's Campdraft and Rodeo Association have phased out calf roping in a form which results in abrupt stopping of calves when roped. Only an approved roping device can be used in calf roping events.

There is currently no timeline for national review of the rodeo code of practice.

At the Signium Piggery, the investigations that have been carried out by both DPI Compliance and LLS veterinary staff found no evidence to support any of the issues raised.

Where Mr Hansen said he thought that investigation was ongoing, it has actually been closed.

#### **Question 14 (Page 17 of transcript)**

**The CHAIR:** I imagine you will have to take on notice some questions regarding the trust. Do you have a figure of how many employees—whether it is full-time, part-time or billable hours—who are paid against those trust projects for the last financial year? Is that available?

**Mr HANSEN:** For 2017-18?

**The CHAIR:** Or 2018-19 if you have it.

**Mr HANSEN:** I have a total of 67.7 full-time equivalent [FTE].

**The CHAIR:** Are there any ones that are on selected billable hours or on a part-time basis or is that the only figure?

**Mr HANSEN:** The FTE is the most common way that we report on staff. You have got part-time and vacancies from time to time.

**The CHAIR:** No worries.

**Mr HANSEN:** I could take it on notice, but I do not even know if we can pull the data together for you.

**The CHAIR:** Maybe take it on notice and if you cannot—

**Mr HANSEN:** We will see what we can do.

**The CHAIR:** In the previous budget estimates, you advised that \$45 million is spent on fisheries research. Do you have that broken down in terms of the types of research you are doing, whether it is in commercial, aquaculture or recreational? Are you able to give us those figures on notice?

**Ms MOLTSCHANIWSKYJ:** I can try to get them to you on notice, noting that a lot of our research goes across multiple areas so it is actually really difficult to take aquaculture and say, "This is just aquaculture" when it may be involved in restocking for recreational fishing. We do not tend to be able to group it down to that finer scale, but I can certainly do it against our strategic plan.

**The CHAIR:** Any grouping that you would deem appropriate would be good.

**Ms MOLTSCHANIWSKYJ:** I can do that. Do you want it for just this financial year or three financial years?

**The CHAIR:** I think you quoted the figure of \$45 million—

**Ms MOLTSCHANIWSKYJ:** Over three financial years."

#### **ANSWER:**

For 2018/19 there were 67.7 FTE employees paid against the Recreational Fishing Trusts (66.3 full time and 1.4 part time). Please refer to the table below for a breakdown of fisheries research expenditure.

<b>2019 Expenditure</b>		<b>Amount</b>
Aquaculture Research		\$4,070,528
Commercial Fish Harvest Research		\$4,839,201
Marine Estate Research		\$3,754,061
Recreational Fisheries Research		\$2,413,917
Threats Freshwater Fish Biodiversity, Habitat & Eco Research		\$4,219,180
<b>Total</b>		<b>\$19,296,886</b>
<b>2018 Expenditure</b>		<b>Amount</b>
Aquaculture Research		\$3,621,748
Commercial Fish Harvest Research		\$4,048,571
Marine Estate Research		\$2,462,872
Recreational Fisheries Research		\$2,322,950
Threats Freshwater Fish Biodiversity, Habitat & Eco Research		\$4,386,344
<b>Total</b>		<b>\$16,842,485</b>
<b>2017 Expenditure</b>		<b>Amount</b>
Aquaculture Research		\$2,914,365
Commercial Fish Harvest Research		\$4,300,462
Marine Estate Research		\$2,763,256
Recreational Fisheries Research		\$1,855,331
Threats Freshwater Fish Biodiversity, Habitat & Eco Research		\$4,474,636
<b>Grand Total</b>		<b>\$16,308,050</b>



## Question 15 (Page 19 of transcript)

**The CHAIR:** Just one final question. This was a question that was not taken on notice properly for some reason. Last time, Mr Hansen, I asked you about the share subsidy figures and there was some disparity between certain documents and what people were saying. There was one document that referred to \$12.87 million while another report referenced \$11.6 million being spent. In Hansard the Hon. Niall Blair referenced \$13.5 million. I asked for you to come back and give me some clarity as to what was actually spent but—whatever happened with Hansard—that was not taken on notice properly. Would you be able to take it on notice and come back to us with a figure in terms of what was actually spent?

**Mr HANSEN:** Yes, we can.

### **ANSWER:**

The Adjustment Subsidy Program was a comprehensive package with many different components, including fishing business buyout payments, share subsidies, grants for professional legal and financial advice, retraining grants, and business advice and rent relief for fishing cooperatives.

The different figures that have been cited take account of different components – or represent totals at earlier stages – of the assistance program.

\$12.86 million was the total spent in the Subsidised Share Trading Market (SSTM). This figure consisted of \$1.24 million on business buyout payments and \$11.62 million on share subsidies and excess shares.

We cannot find a reference in Hansard to the Hon. Niall Blair quoting \$13.5 million. In the Legislative Council on 8 August 2017, he stated “During the recent subsidised share trading market, this Government spent \$15.1 million to subsidise shares and buy out fishing businesses”.

This figure (\$15.1 million) included the \$2.24 million spent on fishing business buyouts prior to the SSTM, as well as the \$12.86 million spent in the SSTM.

After the SSTM, the fishing business buyout program was extended and the Government also offered targeted assistance to a number of fishers who were unsuccessful in the SSTM. This took the total cost for all fishing business buyouts, share subsidies and purchase of excess shares to \$18.12 million. Note, however, that this figure does not include other elements of the assistance package, such as grants, loans, business advice, staff costs etc.

**Question 16 (Page 19 of transcript)**

**Mr HANSEN:** So 11 baboons in the high impact—in that high impact they get recovery surgery. We can get you some more information on that but that is the number.

**ANSWER:**

For the 2017 reporting year (annual reporting on the use of animals in research), 11 baboons were used in the high impact category of “Major Surgery with Recovery”. For these procedures, pain is controlled by anaesthetics and analgesics. The description of this category is “Animal is rendered unconscious with as little pain or distress as possible. A major procedure such as abdominal or orthopaedic surgery is carried out and the animal allowed to recover. Post-operative pain is usually considerable and at a level requiring analgesia.

Examples include: Orthopaedic surgery; Abdominal or thoracic surgery; Transplant surgery.

Further information on the nature of the procedures is not collected in the annual reporting.

All use of animals in research is regulated under the *Animal Research Act 1985* is approved and monitored by the responsible Animal Ethics Committee.

## Question 17 (Page 19 of transcript)

**The Hon. MICK VEITCH:** Mr Turnell, I go back to some of your responses to questions raised by the Chair. You said that the audit office conducts the audits of the Recreational Fishing Trusts. Does it get to look at the full trust income expenditure for the year? It conducts a full audit of the trust, is that right?

**Mr TURNELL:** I would have to take the details of the audit on notice, but it looks at revenue coming in and expenditure going out. We also have additional audits done externally, which we get audit companies in to do. We have had two in the last five years. They look at random projects—the money coming in all the way through to the money going out and the reconciliation of those. We also had another one on the process of receiving banking and reconciling the money.

**The Hon. MICK VEITCH:** I would appreciate if you could take that on notice, to make absolutely clear the scope of the audit conducted by the audit office of the Recreational Fishing Trust Fund. That would be really good.

**Mr TURNELL:** Sure.

**The Hon. MICK VEITCH:** The second thing is: Does the audit office charge the Recreational Fishing Trusts at all for conducting that audit?

**Mr TURNELL:** I believe that there is a charge. Whether it goes to the trust or to the agency, I am not sure.

**The Hon. MICK VEITCH:** I am happy for you to take that on notice.

**Mr HANSEN:** Yes, we will take it on notice.

**The Hon. MICK VEITCH:** You said there were other external audits, as well. Were the fees or charges for those audits levied against the trusts?

**Mr TURNELL:** I will take that on notice.

### **ANSWER:**

The special purpose financial report for the fisheries trusts prepared by the Department of Planning, Industry and Environment and audited by the Audit Office is comprised of a Statement of Net Assets and a Statement of Comprehensive Income which combines the seven Fisheries Trust Funds' financial transactions and balances for the year. Any transactions between the Trust Funds are eliminated, however, the report details the cash balance in each Trust Fund. The Audit Office does charge the Recreational Fishing Trusts for conducting the audit. Other external audits were covered by the Department.

## Question 18 (Page 20 of transcript)

**The Hon. MICK VEITCH:** How many FTEs are responsible for the management of the trust itself? Not the programs that the funds are allocated to, just the trust itself.

**Mr TURNELL:** Four officers manage the overall licence program, including the allocation and monitoring of payments and milestones for the current 186 active projects. There is an executive officer, who oversees the whole lot and we have a number of staff who make sure that those 186 programs are being delivered and providing benefit milestones are being met and payments are being made when required.

**The Hon. MICK VEITCH:** Are those staff paid for by the trust?

**Mr TURNELL:** They are.

**The Hon. MICK VEITCH:** So all their wages on costs come out of the trust?

**Mr TURNELL:** They do.

**The Hon. MICK VEITCH:** You can take this on notice, but are you able to provide for the past three years what those employee costs are for those positions?

**Mr TURNELL:** Yes.

**The Hon. MICK VEITCH:** Directly related to the trust?

**Mr TURNELL:** Yes.

**The Hon. MICK VEITCH:** When we talk about the Auditor-General conducting an audit of the trust, does the Auditor-General provide a separate audit statement for the trust?

**Mr TURNELL:** I would have to take that on notice.

**The Hon. MICK VEITCH:** Okay, because I think that is an important distinction to make. If it audits it as a part of a broader government agency, then that is different to it being audited on its own and receiving an individual audit statement from the Auditor-General. I am looking to see whether there are any qualified statements from the auditors. That is what I am after.

**Mr TURNELL:** Okay.

**The Hon. MICK VEITCH:** So if you could take that on notice, as well.

**Mr TURNELL:** I will.

### ANSWER:

Financial year	Cost
2016/17	\$508,896
2017/18	\$488,676
2018/19	\$500,344

Note: The amounts above represent time sheeting costs of staff associated with 4 specific projects which received funding from the Recreational Fishing Trust. The objectives of these projects include administration, coordination and oversight of the Recreational Fishing Trusts and DPI and external projects receiving funding from the Recreational Fishing Trusts (e.g. allocation and monitoring of payments and milestones for all projects), as well as associated Trust communication, provision of advice to applicants, project management activities and necessary consultation processes related to the running of the trusts and grants program.

Each year, the Department of Planning, Industry and Environment prepares a special purpose financial report on the fisheries trusts, which is audited by the Audit Office. The Audit Office is responsible for conducting audits for the Auditor-General.

## Question 19 (Page 21 of transcript)

**The Hon. MICK VEITCH:** Mr Turnell, at the estimates on 10 September this year, you said to the Committee that there had been at least two independent external audits undertaken of the Recreational Fishing Trusts. Did they include the Recreational Fishing Trusts?

**Mr TURNELL:** They did. That was the purpose of the audit.

**The Hon. MICK VEITCH:** This is where I am going. They were solely for the Recreational Fishing Trusts?

**Mr TURNELL:** Correct.

**The Hon. MICK VEITCH:** There was no other activity audited at the same time?

**Mr TURNELL:** The one to do with the operation of the money coming in being reconciled and banked, was done at the same time as the one for the Commercial Fishing Trust. I believe that they were done separately, but because they were done so closely together, I want to be careful with the answer on that, so I would like to take that on notice.

**The Hon. MICK VEITCH:** Okay, you can take that on notice. Because they were external audits, who conducted those audits? Was it the Audit Office?

**Mr TURNELL:** No, it was not.

**The Hon. MICK VEITCH:** Are you able to advise us on who they were?

**Mr TURNELL:** Yes, external companies.

**The Hon. MICK VEITCH:** How are they selected?

**Mr TURNELL:** I would have to take that on notice. I did not select them.

**The Hon. MICK VEITCH:** That is okay. Are the reports that they generated publicly available?

**Mr TURNELL:** I would have to check and take that on notice.

**The Hon. MICK VEITCH:** You can take that on notice as well. If they are not publicly available, would you be able to provide them to the Committee?

**Mr TURNELL:** If there are no restrictions on providing them, yes.

### **ANSWER:**

In addition to the special purpose financial report for the fisheries trusts prepared by the Department of Planning, Industry and Environment, the Department's Internal Audit Program also undertakes audits. The most recent audits are listed below (since 2015/16), which covered aspects of Recreational Fishing Trust funds:

NSW Department of Industry Grants Administration (2015)

NSW Department of Primary Industries (DPI) Licence Revenue Management (2017/18)

There was also an earlier audit done in 2011 undertaken by Deloitte titled NSW Recreational Fishing Trust Internal Audit (November 2011). This audit focussed on the Recreational Fishing Trusts.

The NSW Department of Industry Grants Administration (2015) and NSW Department of Primary Industries (DPI) Licence Revenue Management (2017/18) audits were undertaken by the Department. The Department engaged Deloitte NSW to conduct the Recreational Fishing Trust Internal Audit in 2011. Deloitte were selected in line with our procurement processes, as they had extensive experience and a sound reputation for delivering these types of services.

The reports were intended solely for the information and internal use of the Department and therefore the Department is unable to provide them to the Committee.

**Question 20 (Page 23 of transcript)**

**The Hon. MICK VEITCH:** How many people are on the advisory council?

**Mr TURNELL:** I believe there is about 14 positions. I would have to check the exact number for you.

**The Hon. MICK VEITCH:** That is okay.

**ANSWER:**

There were 15 members and a chairperson previously appointed to the Recreational Fishing NSW Advisory Council in 2016.

**Question 21 (Page 26 of transcript)**

**The Hon. EMMA HURST:** With regard to circuses and exhibited animals, does the department keep records of the euthanasia of any exhibited animals?

**Mr HANSEN:** I would have to take that on notice.

**ANSWER:**

Exhibitors are required to keep animal records and provide these to the Department annually, which includes arrivals and departures. Departures includes death and cause of death. NSW DPI investigate any unsatisfactory or unusual reports.

## Question 22 (Page 29 of transcript)

**The Hon. EMMA HURST:** I will go back to the issue of circuses. I note that you took my last question on notice. I am wondering if you could also include on notice if there are records for the reasons for the euthanasia—if there are records of euthanasia—and if any exotic animals have been euthanised as well.

**Mr HANSEN:** Yes, animal exhibitors do need to require and notify us of any death. They have to give a reason for that death, whether that is old age, disease et cetera. We follow up any investigations for reasons that look unusual or peculiar.

**The Hon. EMMA HURST:** Do you know if there are any deaths due to injuries?

**Mr HANSEN:** No, I do not. I will take that on notice.

**The Hon. EMMA HURST:** Can you also take on notice if there were any deaths because the animals were no longer required?

**Mr HANSEN:** Okay.

**The Hon. EMMA HURST:** There were 323 corrective action requests issued to licensed display establishments between 1 July 2017 to 30 June 2019. Do you know how many penalty notices under the exhibited animals protection legislation were issued in 2017 and 2018?

**Mr HANSEN:** No, I will have to take that on notice.

**The Hon. EMMA HURST:** Could you also take on notice who those penalty notices were issued to, what was the offence and what was the penalty, if something comes up?

**Mr HANSEN:** I will see what we can provide.

**The Hon. EMMA HURST:** I am wondering if you also know when the Department of Primary Industries last carried out any unannounced or unscheduled animal welfare inspections of the nine circuses in New South Wales.

**Mr HANSEN:** No. I will take that on notice.

### ANSWER:

Exhibitors are required to keep animal records and provide these to the Department annually, which includes arrivals and departures. Departures includes death and reporting its cause. It also includes sale, loan, release to wild under licence, donation to another, loan to another, loan returned to another, swapped to another, escape, and theft. In the 2018/19 reporting period there was one animal in a circus recorded as being euthanised, a horse for medical reasons. In the 2018/19 reporting period there were no exotic animals in a circus euthanised or any animals recorded with deaths due to injuries.

Penalty notices under the exhibited animal protection legislation were:

2017 = 10

2018 = 0

PINs were issued for the following offences:

- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition G12) = \$200.00
- Veterinary drugs not kept in a secure manner = \$200.00
- Make false/misleading statement in application/compliance = \$500.00
- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition G7) = \$200.00
- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition S18) = \$200.00
- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition S4) = \$200.00
- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition S25) = \$200.00



- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition S1) = \$200.00
- Breach term or condition of Authority issued under EAP Act (Not complying with the Permit P01740 Condition S1) = \$200.00
- Animals removed from approved premises and kept for exhibition at various locations = \$200.00

For privacy reasons we are unable to disclose the names of individuals or businesses issued with PINs.

Audits conducted on circuses are typically announced to ensure appropriate staff are present during the audit process.

Unannounced or unscheduled inspections will be conducted on circuses when there are allegations of animal welfare breaches or concerns. The last unannounced inspection was on 7 February 2018.

**Adam Marshall MP**

Minister for Agriculture and Western New South Wales