

**Budget Estimates 2020-21 – Wednesday 3 March 2021**

**Portfolio Committee No. 4 – Industry**

**Agriculture and Western NSW**

**Responses to Questions on Notice**

**Question 1 (page 2 of transcript)**

**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.

**ANSWER:**

Response provided later in the hearing.

**Mr ADAM MARSHALL:** 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.

**Question 2 (page 2-3 of transcript)**

**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?

**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.

**ANSWER:**

Response provided later in the hearing, see Question 1.

**Question 3 (page 4 of transcript)**

**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

**ANSWER:**

DATE	SERVICE	AMOUNT(exc GST)
February 2016	Community, industries and landscapes funding	\$97,500
April 2016	Community, industries and landscapes funding	\$25,000
June 2017	Community, industries and landscapes funding	\$25,000
June 2018	Monaro Grasslands Best Management Practices	\$107,000

June 2018	Co-ordinator services for field days, soil testing and development of communications products	\$17,325
April 2019	Next Gen Forecasting: stocking rates, adapting to seasonal conditions for graziers	\$20,000
June 2019	Engaging in delivering better land management project activities	\$10,000
October 2019	Seasonal Outlook Event – Field days and seasonal forecasting	\$5,900
May 2020	Delivery of Webinars – Grasses and seasonal updates and Seasonal Forecasting updates	\$4,375
May 2020	Delivering better land management activities	\$10,000
February 2021	Delivering better land management activities	\$10,000
February 2021	Project Management and Coordination	\$20,000

SERVICE

AMOUNT (exc. GST)

Contracts and deeds are subject to commercial-in-confidence which is standard practice under the Whole of Government Procurement framework.

**Question 4 (page 4 & 5 of transcript)**

**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?

**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.

**ANSWER:**

LLS approached MFS due their extensive network, credibility and ability to deliver the grasslands guidelines.

**Question 5 (page 6 of transcript)**

**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.

**ANSWER:**

The contract with MFS was acquitted in-line with agreed project milestones and consistent with the Whole of Government Procurement framework.



**Question 6 (page 8 of transcript)**

**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 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

**ANSWER:**

As of 31 January 2021, RSPCA NSW Inspectors had attended 105 breeding establishments. RSPCA NSW has seized animals from two large dog breeding establishments; one in the north west and another in the central west of NSW. Two prosecutions have been initiated for 37 offences.

### **Question 7 (page 9 of transcript)**

**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

### **ANSWER:**

The existing moratorium on the taking of Murray crayfish was implemented following the 2016 hypoxic blackwater events. The NSW Fisheries Scientific Committee (FSC) will be undertaking a review of the status of Murray crayfish populations in 2021 in conjunction

with DPI Fisheries. The current management settings for Murray crayfish will be reconsidered in light of the FSC review.

### **Question 8 (page 10 of transcript)**

**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.

### **ANSWER:**

Part of the question was subsequently answered by Mr Sloan. Refer to pages 78 and 79 of the uncorrected transcript:

“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 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.”

Additional details of permits to stock the three species listed above are as follows:

- 1 translocation permit for DPI to move Murray Crays from the Upper Murray to Mid Murray (to replenish areas affected by blackwater events).
- 1 permit to DPI for conservation stocking of Silver Perch into the Namoi (5 year permit commencing 2017). Other Silver Perch stocking activities into impoundments have been approved under the wider departmental recreational species stocking permit.
- 1 translocation permit issued to recreational fishing group (Edward Wakool Angling Association) to move Eel-tailed Catfish from Barham Lake into the Murray River.

### **Question 9 (page 20 of transcript)**

**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.

### **ANSWER:**

This referred to the fact that the draft report failed to adequately reference:

- The issue of new quota shares providing a more secure and tradable right to access the resource.
- The ability for fishers to adjust their shareholding to suit their level of fishing (resource access).
- Red-tape reduction measures such as changes to crewing requirements and removal of boat licences in some fisheries (allowing many fishers who previously had to hold multiple businesses to consolidate and reduce management fees).
- The ability for fishers who had long wanted to leave the industry but could not (owing to the low value of shares) to exit with dignity.

**Question 10 (page 21 of transcript)**

**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.

**ANSWER:**

Subsequently answered by Mr Hansen (see p. 51 of uncorrected transcript):

“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.”

### **Question 11 (page 21 of transcript)**

**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.

### **ANSWER:**

Subsequently answered by Mr Hansen (refer to page 51 of uncorrected transcript):

“Mr HANSEN: .... 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.”

**Question 12 (page 22 of transcript)**

**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.

**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.

**ANSWER:**

There is one action that remains ongoing:

Development of formal arrangements with partner agencies that it relies upon to deliver effective biosecurity compliance activities and emergency responses – has been substantially completed. Negotiations with NSW Health, NSW Environmental Protection Authority and NSW DPIE underway.

There is one further action that is on track for delivery by end of financial year:

Establish a data collection and reporting system that enables data sharing with Local Land Services and Local Control Authorities that allows better targeting of biosecurity compliance activities – in progress – DPI's Biosecurity Case Management System should be fully implemented by 30 June 2021.

**Question 13 (page 24 of transcript)**

**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.

**ANSWER:**

On 17 November 2020 Minister Marshall announced a \$60m budget boost to biosecurity, including \$43.5m to DPI to deliver a weed and pest blitz, and \$17m in FY2020-21 to Local Land Services to address the pest weed and animal welfare issues arising from the 2019-20 bushfires.

DPI and LLS will deliver a comprehensive range of large-scale control programs to tackle endemic pests, weeds and diseases.

The key activities to be conducted within this funding are:

- Priming the biocontrol pipeline
- Demonstration sites for invasive grasses
- Sterile insect technique (SIT) for blowfly
- Landscape-scale pest control in Western NSW
- Control program for wild deer
- Sentinel bait stations, smart machines and tools for pests & weeds
- Major feral pig control in Western Riverina
- Scaling DPI operations in response to increased incidents, ensuring resources on the ground where they are needed most

**Question 14 (page 25 of transcript)**

**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.

**ANSWER:**

See response in Question 12 above.

### **Question 15 (page 27 of transcript)**

**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?

**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.

### **ANSWER**

Mr Hansen subsequently answered the question regarding mudcrabs (refer page 51 of uncorrected transcript):

“Mr HANSEN: ...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.

In the targeted assistance program after the market, buyouts were offered to eight businesses whose package offers were 'paradoxically rejected', and one who was unable to continue into round three of the market through misadventure; i.e 9 in total

See also Mr Hansen's subsequent answer (p. 51 of uncorrected manuscript):

Mr HANSEN: ...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."



### **Question 16 (page 28 of transcript)**

**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."

**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.

### **ANSWER:**

Subsequently answered by Mr Hansen (refer page 51 of uncorrected transcript):

"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."

**Question 17 (page 32 of transcript)**

**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.

**ANSWER:**

Contact details for the NSW Agriculture Commissioner are on the NSW DPI website.

**Question 18 (page 33 of transcript)**

**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.

**ANSWER:**

No

**Question 19 (page 35 of transcript)**

**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.

**ANSWER:**

RSPCA NSW has advised that one male dog and 12 pups were left at the property. These animals were assessed as healthy, and the pups were all weaned and independent. The three mothers of these pups were seized and are in the custody of RSPCA NSW.

**Question 20 (page 36 of transcript)**

**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. 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.

**ANSWER:**

At the first meeting of the Commercial Fishing NSW Advisory Council (Council) it reviewed and made recommendations on the outcomes of industry consultation on a series of publicly available consultation papers. One of the papers sought feedback on the arrangements that would apply to any fishery redefinition proposals and, whether votes in a poll should be weighted based on shareholding to change the description of one or more share management fisheries in Schedule 1 to the *Fisheries Management Act 1994*:

- to amalgamate 2 or more classes of shares in one or more share management fisheries,
- to replace one or more classes of shares in one or more share management fisheries with one or more new or existing classes of shares.

For example, the Ocean Trap and Line fishery is described as consisting of the use of a spanner crab net to take spanner crabs from ocean waters that are north of a line drawn due east from Korogoro Point (Hat Head). Any proposal to have the fishery operate south of this line would involve a redefinition proposal.

Many submissions suggested that votes should not be weighted and there should be one vote per shareholder. Some submissions suggested that votes should be weighted based on shareholding.

The Council discussed the issue in terms of future cost recovery, shareholders with multiple fishing businesses and the variances of polls held by the business community and society in general. The Council recommended that votes (for all shareholders) should be weighted based on shareholding.

There have been no fishery redefinition proposals to date.



**Question 21 (page 48 of transcript)**

**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.

**ANSWER:**

The Independent Poultry Panel is seeking feedback on the revised draft Standards and Guidelines from the Stakeholder Advisory Group. The Panel will consider the feedback before the standards and guidelines are finalised and submitted to Agriculture Ministers. This is anticipated to occur by mid-2021. The Standards and Guidelines will then be made public.

**Question 22 (page 50 of transcript)**

**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 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.

**ANSWER:**

Since the financial year 2011/2012, DPI Fisheries has received 10 requests under the *Government Information (Public Access) Act 2009* for information regarding the Commercial Fisheries Business Adjustment program. Mr Hansen's response was correct – DPI was considering how best to ensure the confidentiality of data provided to the consultant for this project. As part of this, staff sought internal advice, which ultimately confirmed that confidentiality was covered under the provisions of the standard Consultancy Services Contract signed by Professor Barclay. This contract did not require the destruction of data.

**Question 23 (page 52 of transcript)**

**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.

**ANSWER:**

In NSW, two dogs have been trained to detect the scent of red-eared slider turtles. The dogs are owned by the proprietors of Canines for Wildlife.

**Question 24 (page 52 of transcript)**

**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.

**ANSWER:**

As per the transcript (page 57 of unedited transcript), a breeding population was detected in NSW as far back as 2006. (Species were also detected other states in the 1990s.)

**Question 25 (page 53 of transcript)**

**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

**ANSWER:**

Subsequently answered by Mr Sloan. Refer to uncorrected transcript page 72:

“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.”

**Question 26 (page 55 of transcript)**

**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.

**ANSWER:**

It should be noted that this is funded through a number of different programs including Weeds Action Plan, Crown Reserves Improvement Fund, TSR Revenue, NLP and others.

2019/20 Financial Year TSR Weeds spend:

- Central Tablelands - \$31.5k
- Central West - \$1,167k
- Hunter - \$25k
- North Coast - \$51k
- North West - \$492.9k
- Northern Tablelands - \$120k
- Riverina - \$24.9k
- Murray \$55k SE - \$75.6k
- Western - \$181k

**Question 27 (page 55 of transcript)**

**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.

**ANSWER:**

TSR Permit holders don't generally hand back permits unless in circumstances of drought, floods and bushfires. The current demand for TSR permits is low due to the seasonal conditions that most of NSW is experiencing.

**Question 28 (page 55 of transcript)**

**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 cent of them are landholders to 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.

**ANSWER:**

The NSW Government Board and Committee Guidelines published by the Department of Premier and Cabinet outline that: A register of such interests should be maintained by the board or committee and must also be reported to the Minister.

As per ICAC guidelines these disclosures are also held in a central register. There are no guidelines that suggest that the register needs to be publicly available.



**Question 29 (page 56 of transcript)**

**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.

**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.

**ANSWER:**

In this context, the term "colony" refers to a group of animals being kept together and does not imply a breeding colony.

In administration of the *Animal Research Act 1985*, NSW Department of Primary Industries does not collect information on funding of animal research.

**Question 30 (page 60 of transcript)**

**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 them changing it.

**ANSWER:**

The two fishing activity reviews offered as part of the Independent Allocation Panel process in 2018 were designed to allow fishers to identify (and request correction of) data entry errors made by DPI. There was no related compliance action.

In the course of general work undertaken, DPI staff routinely contact fishers and fishing employers to clarify apparent Catch & Effort reporting errors. For example, as part of a four year program (2013 – 2016) there were over 2,400 contacts to address catch & effort reporting issues.

Between 1 July 2009 and 20 June 2018, Fisheries Compliance recorded 1003 sanctions for failure to make/send catch records (s121/s122 of the *Fisheries Management Act 1994*) and 44 sanctions for making a false or misleading entry in a fish record (s124).

**Question 31 (page 60 of transcript)**

**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.

**ANSWER:**

In 2020 North Coast LLS offered four TSRs and one Water Reserve for a limited tender, and all are resolved (four permitted and one left vacant).

14 applications were received in the tender call in North Coast LLS. None of the successful tenders had held permits on these TSRs.

**Question 32 (page 63 of transcript)**

**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?

**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.

**ANSWER:**

There is a scorecard for each financial year and other program summaries and reports which can be found online at Young Farmer Business Program - Farmtable website. The 2020-21 report card will be loaded online post June 2021 along with the full report for the 4 year program.

**Question 33 (page 64 of transcript)**

**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.

**ANSWER:**

Fifteen young commercial fishers have been directly involved in the Program to date. No young Foresters have been directly involved to date.

**Question 34 (page 64 of transcript)**

**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.

**ANSWER:**

Total non-fishing days for SMART drumlines in 2019/20 was 241 days: comprising of Ballina 114 days, Evans Head 91 days, Palm Beach 8 days, Manly 8 days, Newcastle 20 days. It should be noted that in Ballina and Evans Head deployment of SMART drumlines is contracted to occur every day of the year, whereas the two trials in Sydney and Newcastle were for three months each.

Eighteen publications have used data from animal carcasses from the shark meshing program in the last 10 years.

**Question 35 (page 66 of transcript)**

**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.

**ANSWER:**

In total, over 3,300 shares were surrendered through the Subsidised Share Trading Market and fishing business buyouts after the market, and over 3,600 shares were surrendered by the Australian Securities and Investments Commission (from five fishing businesses formerly registered to companies but subsequently deregistered). All these shares were cancelled. There are various ways that the cancellation of shares can benefit remaining shareholders:

- Quota from cancelled quota shares redistributed to remaining shareholders
- A bigger share of the Total Allowable Catch or Total Allowable Effort going forward
- A bigger share of new quota shares at the time of allocation

**Question 36 (page 67 of transcript)**

**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](mailto: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](mailto: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.

**ANSWER:**

The Private Native Forestry Codes of Practice stipulate that annual returns are to be lodged with the Environmental Protection Authority by 31 March each year.



**Question 37 (page 71 of transcript)**

**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.

**ANSWER:**

A total of \$269,285 was allocated in the 2019-20 funding round from the Aboriginal Fishing Trust Fund.

Applications for this financial year will open on 24 March 2021 and close in May 2021.

**Question 38 (page 72 of transcript)**

**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.

**ANSWER:**

Authority holders who are approved to exhibit animals at mobile establishments must comply with the Standards for Exhibiting Animals at Mobile Establishments in New South Wales. All authority holders who undertake mobile exhibitions must ensure they consider the animal's welfare and apply appropriate management to reduce the animals stress during transit and while being displayed.

**Question 39 (page 72 of transcript)**

**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?

**Dr TRACEY:** I might need to come back to you on that one, just to confirm.

**ANSWER:**

As per the transcript (page 83 of unedited transcript), the Department undertakes unannounced inspections in response to complaints. This can occur while the mobile exhibitor is away from their off-display establishment.

**Question 40 (page 73 of transcript)**

**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.

**ANSWER:**

As per the transcript (page 83 of unedited transcript), there are no limits on the total number of animals a petting zoo can have, provided that facilities and systems comply.

In accordance with the Standards for Exhibiting Animals at Mobile Establishments in NSW, exotic reptiles and exotic amphibians are not permitted to be used in a petting zoo or mobile exhibition.

**Question 41 (page 73 of transcript)**

**The Hon. EMMA HURST:** Are they also involved in approving new species and breeding and all of those sorts of aspects?

**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.

**ANSWER:**

As per the transcript (page 82 of the unedited transcript), the keeping of exotic or non-Indigenous animals requires a permit under the *Biosecurity Act 2015*. If the Department becomes aware of anyone holding a non-Indigenous or exotic animal without a permit, then investigations are conducted, and appropriate action is undertaken.

Breeding of animals by exhibitors must occur in accordance with the legislation and standards. This is monitored through the exhibited animal compliance program.

**Question 42 (page 74 of transcript)**

**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.

**ANSWER:**

No, only the Australian Taxation Office collects GST. License fees do not attract GST. When GST is paid a Business Activity Statement return is submitted in accordance with *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*. Refunds received are banked back into the trust bank account.

**Question 43 (page 74 of transcript)**

**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.

**ANSWER:**

GST that has been paid is refunded by the Australian Taxation Office through the return process which may be subject to timing differences over financial years.

<b>Recreational Fishing Trust Fund</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
Saltwater Trust	\$15,705	\$24,500	\$10,343
Freshwater Trust	\$1,080	\$0	\$743

**Question 44 (page 75 of transcript)**

**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.

**ANSWER:**





**Question 45 (page 75 of transcript)**

**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.

**ANSWER:**

This is a matter for the Minister for Energy and Environment.

**Question 46 (page 77 of transcript)**

**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.

**ANSWER:**

Subsequently answered by Mr Hansen during the hearing. Refer to page 80 of the uncorrected transcript:

"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.”

**Question 47 (page 77 of transcript)**

**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.

**ANSWER:**

No

**Question 48 (page 78 of transcript)**

**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.

**ANSWER:**

The report was previously available on the former DPI Fisheries website, and as of 06/01/2009 it is no longer available, due to the transition to the new website.

**Question 49 (page 78 of transcript)**

**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.

**ANSWER:**

The two other permits were issued to DPI and not conservation or recreational fishing clubs.

**Question 50 (page 79 of transcript)**

**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.

**ANSWER:**

Non-rice growers can submit a standard application form (Form GB-B Application for a Native Game Bird Management (Owner/Occupier) Licence) to NSW DPI, providing the details for each property as well as the type of impacts. As with all applications, these are assessed on a case-by-case basis which includes a separate property allocation assessment process that considers the geographical location, spatial mapping as well as the proximity of each property to nearby water sources.