

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 12

Division/Agency: Grains Research and Development Corporation

Topic: Owner of the building

Proof Hansard page: 10

Senator CHAIR asked:

CHAIR: Can I go back a minute? Is the person who owns the building an independent or industry super fund?

Ms Howitt: I am not sure of the details.

CHAIR: Can you find that out?

Ms Howitt: Sure.

Answer:

The building is owned by an independent property fund called ISPT.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 13

Division/Agency: Grains Research and Development Corporation

Topic: Payments to Mr Jones and Mr Bartlett

Proof Hansard page: 10

Senator STERLE asked:

Senator CAMERON: Thank you. Who decided that Mr Jones and Mr Bartlett were of equal value?

Ms Lord: In what regard?

Senator CAMERON: In terms of Mr Jones getting paid \$60,000 for three events and Mr Bartlett receiving \$20,000 for one event.

Ms Lord: I would have to take it on notice and actually give you a breakdown of all the costs.

Senator STERLE: I thought you had that, Ms Lord. You were going to give us a breakdown.

Ms Lord: I have actually just done it for one event. We are actually still in the middle of this piece of work, so it is—

Senator STERLE: Sorry, Ms Lord, I cannot believe that someone does not have the figures, knowing darn well that it is Senate estimates. I cannot believe you do not have the figures. You were about to give us a breakdown. You would have the costings there.

Ms Lord: We made some savings in the first event so—

Senator EDWARDS: Saved 10 grand.

Senator STERLE: Doug, I will not take up any more of your time, mate. I am getting frustrated.

Ms Lord: I would be happy to take it on notice, if you like.

Answer:

Neither Mr Jones nor Mr Bartlett received payment from Grains Research and Development Corporation. Please direct your questions to Fairfax who provided Mr Jones and Mr Bartlett.

Question: 13 (continued)

The event total was \$16 666 + GST x 4

- \$6000 Travel costs (flights, transfers 5 people)
- \$5000 accommodation 5 x rooms 2 nights
- \$2000 Food and beverage costs
- \$2500 ISDN line
- \$1166 incidental costs; including printing, production and event day expenses.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 14

Division/Agency: Grains Research and Development Corporation

Topic: Payment to Fairfax Media

Proof Hansard page: 11

Senator CAMERON asked:

Senator CAMERON: If you would just stop talking for a minute—I am asking the questions. You are the professional. You negotiated the package. But you cannot tell us why Alan Jones was valued the same as Mr Bartlett. You cannot tell me that now?

Senator EDWARDS: We are getting to the big issues here this morning.

Mr Thomas: I think we had already established that payment was made to Fairfax Media.

Senator CAMERON: That is not what you said in questions on notice.

Mr Thomas: I do not know that we would actually presume to understand how Fairfax might construct its accounts. If you would like us to take that on notice, we are more than happy to do so.

Answer:

Refer to response to Question on Notice 13 for details of payment to Fairfax media.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 15

Division/Agency: Grains Research and Development Corporation

Topic: Number of attendees

Proof Hansard page: 11

Senator CAMERON asked:

Ms Lord: We had in the order of 262 stakeholders, not including staff and support people. Consequently, we also produced four podcasts of the event and those have been downloaded and listened to 1,300 times so far. So there have been approximately 1,500 people at this point. But, as I said, we are only at the very early stages—

Senator CAMERON: Downloading is not what I have asked you. I asked how many people attended the events. That is 262.

Ms Lord: Yes, 262.

Senator CAMERON: How many were actually growers?

Ms Lord: Two hundred and sixty two is the number, which is not staff and support.

Senator CAMERON: How many were growers?

Ms Lord: I would have to take that on notice and get a breakdown. I have a list of the 262, but some wear dual hats. some are growers, some are researchers, some are industry and some are representatives. There is quite a mix.

Senator CAMERON: Do you have that with you?

Ms Lord: No, I do not. I would have to take that on notice.

Senator STERLE: Has someone behind you got it? I cannot believe that you have come to Senate estimates and you cannot provide basic information such as this.

Answer:

Attendees were growers, researchers and industry representatives. Attendees were not asked to identify themselves by job profession.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 16

Division/Agency: Grains Research and Development Corporation

Topic: Communication of research and development

Proof Hansard page: 12-13

Senator CAMERON asked:

Senator CAMERON: This does not do anything about dissemination, adoption and commercialisation, does it? If you are going to disseminate and get more adoption and commercialisation of your research and development, telling the pensioner in Greystanes doesn't do anything, does it?

Mr Thomas: Were you referring to part (a) or part (e)?

Senator CAMERON: I am just asking in general terms.

Ms Lord: May I answer that question? I just alluded before to the case studies that we put together on key research outcomes. Five thousand one hundred people over a seven-week period have already engaged with the top two; the first one was No Till Pays Bills, and the second one was focused on the grains industry's sustainability. Both of these case studies are trying to give growers insights and to raise awareness of things that they can do to increase their profitability, and that is core to GRDC's business. We are always looking for innovative and different ways to get our message across, and we really felt that someone who had a reach at this level, with this type of interest in the agriculture sector, would be a good way to do that. I think it would be too early to give you final results. We are still in the process of doing these. We are promoting this through our online channels, through Facebook and through our own accounts, so it would be too early to give you a full evaluation, but early signs tell us—5,100 people viewing a case study is a very significant number in our industry.

Senator CAMERON: Can you provide all of your internal documentation in relation to the development of this program—all memos and all file notes in relation to it?

Ms Lord: I would be happy to provide them on notice.

Answer:

The development of the research and development program was considered by the board on 5 December 2015. Grains Research and Development Corporation board meeting papers are commercial in confidence documents.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 17

Division/Agency: Grains Research and Development Corporation

Topic: Radio ads running in Canberra

Proof Hansard page: 13

Senator CAMERON asked:

Senator CAMERON: Were the radio ads running in Canberra?

Ms Lord: They were running across 56 regional hubs. I will have to check whether they were running in Canberra. I will take it on notice.

Answer:

No.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 18

Division/Agency: Grains Research and Development Corporation

Topic: Transcript of ads

Proof Hansard page: 13

Senator CAMERON asked:

Senator CAMERON: Can you then provide the actual transcript of the ads that went out?

Ms Lord: I would be happy to take that on notice.

Senator CAMERON: If you could provide that? What were they saying in these ads? 'Come and get a job in the grains industry'?

Answer:

Please see transcript below.

“Grain is at the heart of our agricultural industry, the Australian Grains, Research & Development Corporation (GRDC), believes farming is the key to Australia's future. Food security and sustainability are global challenges so it's vital Australia has a strong and innovative grain industry.

I'll be hosting a panel of industry experts to discuss the latest issues and innovations so important to Australia's farming future.”

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 19

Division/Agency: Grains Research and Development Corporation

Topic: Job enticement to young people

Proof Hansard page: 13-14

Senator CAMERON asked:

Could you then specifically indicate to me, by a separate question on notice, how these ads specifically gave an enticement, basically, to young people in the western suburbs of Sydney to get a job in the grain industry? Because that is what you said they would do. I would like to know exactly where that comes.

Ms Lord: Thank you.

Answer:

The advertisements were targeted to raise awareness of the grains industry and positioning it in a positive light to a wide audience. This is a step in sourcing potential new employees for the grains industry.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 20

Division/Agency: Grains Research and Development Corporation

Topic: GRDC Awareness Campaign

Proof Hansard page: 14

Senator CAMERON asked:

Senator CAMERON: How many GRDC board members and staff attended each roadshow?

Ms Lord: We had a board director speak on each of the panels, except for the Orange panel, which we tied into an actual board meeting, because we were doing a regional board meeting in Dubbo and Orange, so the entire board attended that event.

Senator CAMERON: How many are on the board?

Ms Lord: Eight board directors.

Senator CAMERON: How many staff attended?

Ms Lord: Myself. I was at every event. At two events, I had one other communications person with me.

Senator CAMERON: Can you provide details of the costs for staff and board members to stay at these functions? Can you provide itemised accounts for accommodation, for food and any other costs associated with the board members and the staff members attending these roadshows? Were all flights and accommodation paid for, for the Perth seminar?

Answer:

Grains Research and Development Corporation (GRDC) board costs were as follows:

Accommodation - \$513.48

Meals (not otherwise provided) - \$53.57.

GRDC staff costs were as follows:

Travel - \$5661.72

Accommodation - \$1129.18

Meals (not otherwise provided) - \$517.38.

Please note: as per the factual corrections letter sent to the committee on 19 May 2016 there are nine board directors including the Managing Director.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 21

Division/Agency: Grains Research and Development Corporation

Topic: Liberal party fundraiser

Proof Hansard page: 15

Senator CAMERON asked:

Senator CAMERON: Thanks. So none of you have attended a Liberal Party fundraiser. Who is your chair?

Mr Thomas: My chair is Richard Clark.

Senator CAMERON: Have you ever paid for his attendance at a Liberal Party fundraiser?

Mr Thomas: I would have to take that on notice.

Senator CAMERON: You are not sure?

Mr Thomas: Not to my knowledge.

Answer:

Grains Research and Development Corporation has never paid for its Chairman, Richard Clark, to attend any political party fundraising events.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 22

Division/Agency: Grains Research and Development Corporation

Topic: Hub and spoke approach

Proof Hansard page: 18-19

Senator CAMERON asked:

Senator CAMERON: You will be getting to prayers soon. Six months is a long time. This is a direct cost to the organisation with no sign that that can be fixed. Were there any discussions with the minister's office about this exact issue prior to the minister directing you that you should take up this hub-and-spoke approach?

Ms Howitt: Not to my knowledge.

Senator CAMERON: Mr Thomas?

Mr Thomas: We would have to take that on notice.

Senator CAMERON: Surely you would remember. Did you raise with the minister the cost of having this office space left lying vacant?

Mr Thomas: I was not the managing director at the time.

Senator CAMERON: It does not matter whether you were. I am talking about you as an organisation. Have you got any file notes that you have raised this with the minister?

Mr Thomas: I would have to take it on notice.

Answer:

No

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 23

Division/Agency: Grains Research and Development Corporation

Topic: Vacant Office Space

Proof Hansard page: 19

Senator CAMERON asked:

Senator CAMERON: Okay, Mr Thomas, could you take on notice whether your organisation raised this issue of vacant office space being a dead weight in terms of a financial cost on the organisation as a result of Minister Joyce making this decision?

Mr Thomas: Certainly we will look into whether those discussions were held.

Answer:

No.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 24

Division/Agency: Grains Research and Development Corporation

Topic: Complaints regarding roadshows

Proof Hansard page: 19

Senator CAMERON asked:

Senator CAMERON: Any file notes between you and the minister's office on these issues, telephone calls or any correspondence on the issue would be welcome. Have there been any complaints to the organisation in relation to the roadshows?

Mr Thomas: I am aware that there are some growers and some members of the public who do not agree with the approach that was taken.

Senator CAMERON: I am sure that that granny in Greystanes would want to listen to something other than your research, but she maybe was not one of them. Who has complained?

Mr Thomas: I do not have that with me. I would have to take it-on notice.

Senator CAMERON: You cannot give me any idea? You said 'some of the growers'. You must know something about it.

Answer:

Grains Research and Development Corporation is aware of 3 negative tweets regarding the roadshows.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 25

Division/Agency: Grains Research and Development Corporation

Topic: Specific fee to Alan Jones

Proof Hansard page: 19

Senator CAMERON asked:

Senator CAMERON: Was there a specific fee to Alan Jones?

Ms Lord: I will happily take that on notice. I have provided the costings from the first event. Alan has publicly said that he has done the event and he did not accept a fee, but I would have to take that on notice and ask Fairfax for that.

Answer:

There was no fee paid to Alan Jones.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 26

Division/Agency: Grains Research and Development Corporation

Topic: Alan Jones fee

Proof Hansard page: 20

Senator CAMERON asked:

Senator CAMERON: I would not expect Alan Jones to be—well, \$2,000? It depends on what the caviar costs. I am not sure, but who knows? What is the \$1,166 incidental cost?

Ms Lord: I would have to take it on notice. I would assume it covered things like printed materials, projectors—

Senator CAMERON: No, I do not want an assumption.

Ms Lord: I will take it on notice and provide it to you.

Answer:

Refer to response from Question on Notice 13 from Budget Estimates held in May 2016.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 27

Division/Agency: Grains Research and Development Corporation

Topic: Attendance at the food forum

Proof Hansard page: 21

Senator CAMERON asked:

Senator CAMERON: Ms Lord, could you provide details of the attendance at the food forum?

Ms Lord: All attendees?

Senator CAMERON: Yes, all attendees. Could you indicate whether they were growers and what classification of people were in attendance, the numbers and the cost-benefit analysis that had been done? Has there been any cost-benefit analysis done in relation to this?

Ms Lord: We are in the early stages because the event is obviously one part of that sponsorship and now a lot of the editorial content will come out. From our perspective, in terms of guests who attended, we invited some key grower groups, some industry representative organisations, other research and development corporations—so we had a range of guests there as well.

Senator CAMERON: So could you provide then also that detail I am asking for about who attended? Could you also provide all the papers relating to the business case for this whole program?

Ms Lord: I am happy to do that.

Answer:

The Australian was the organiser of the Food Forum and Grains Research and Development Corporation (GRDC) was one of two sponsors of the event. GRDC does not have a list of all attendees at the event. As a sponsor, GRDC accessed two tables of ten to host at the event. GRDC guests were from grower groups, other Research Development Corporations, industry, government, relevant multinational corporations, panels, growers and staff.

- Kate Lord – Executive Manager Communications, GRDC
- Ellen Butler – Manager Government and Stakeholder Relations, GRDC
- Roseanne Healy – Board Director, GRDC
- Keith Pengilley – Southern Panel Chair, GRDC
- James Clark – Northern Panel Chair, GRDC
- Julianne Dixon – Northern Panel Member, GRDC

Question: 27 (continued)

- David Shannon – Board Director, GRDC
- Steve Thomas – A/gManaging Director, GRDC
- Cassie Whelan – Account Director, Edelman
- Fleur Wilkins – Communications Manager, Bayer CropScience
- Georgie Aley – Managing Director, Grains & Legumes Nutrition Council
- Eric Brown – Head of R&D and Solutions Development, Syngenta Australia
- Richard Dickmann – Head of New Business Development, Bayer CropScience
- Ian Halliday – Managing Director, Dairy Australia
- Steve Jefferies – Chief Executive Officer, Australian Grain Technologies
- Tony May – Managing Director Australia & New Zealand, Monsanto
- Christian Moore – Associate Director Large Corporates, Westpac
- Emily Phillips – Deputy Secretary Agriculture and Rural Division; Department of Economic Development, Jobs, Transport and Resources VIC
- Chris Sounness – Chief Executive Officer, Birchip Cropping Group
- Laureta Wallace – Public Affairs Manager, GrainGrowers Limited

The cost-benefit analysis undertaken is included in the attached business case.

The Brief

A proactive thought leadership programme which will deliver targeted messages, driven by GRDC's investment in science, technology and our pursuit of innovation.

It's about real stories and proof points of 'Smart Farming'.

The Partnership Brief

Objectives

- Elevate Industry Perceptions
- Build & Strengthen GRDC's external reputation
- Recognition that GRDC R & D drives innovation, builds industry competitiveness, thus increasing profitability & sustainability
- We want to inspire people to want a career in agriculture

Challenges

- Lack of awareness of the value GRDC brings
- Changing issues & agenda
- Increasing criticism and activism from growers/grower bodies
- We need to break the façade of what "farming" is perceived as

Observations about grains industry

- Inconsistent growth across Australia
 - Total grains production in Australia increased by 11 percent to 46.4 million tonnes in 2013–14 from 41.7 million tonnes in 2012–13.
 - There were large increases in winter crop production for South Australia and Western Australia, while dry seasonal conditions led to reductions in winter crop production in northern New South Wales and Queensland.
- More leaving us than joining us
 - To produce grain crops that continue to meet market demands in an ever changing climate, Australia needs a highly skilled and motivated workforce, including growers, advisers, researchers and managers.
 - Currently, it has been identified there are more experienced people reaching retirement age than are joining the industry, taking the knowledge with them.
 - Facing a future of new challenges
 - Costs for grain-producing farms continued to rise, increasing by around 5 percent compared to costs in 2012–13.
 - The GRDC is supporting growers by providing the tools to design and manage farming systems with the flexibility to adapt and respond, manage risk and generate profit
- Facing a future of new challenges
 - Costs for grain-producing farms continued to rise, increasing by around 5 percent compared to costs in 2012–13.
 - The GRDC is supporting growers by providing the tools to design and manage farming systems with the flexibility to adapt and respond, manage risk and generate profit.

Who is our audience?

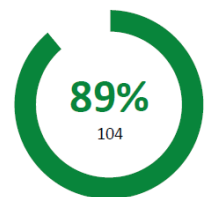
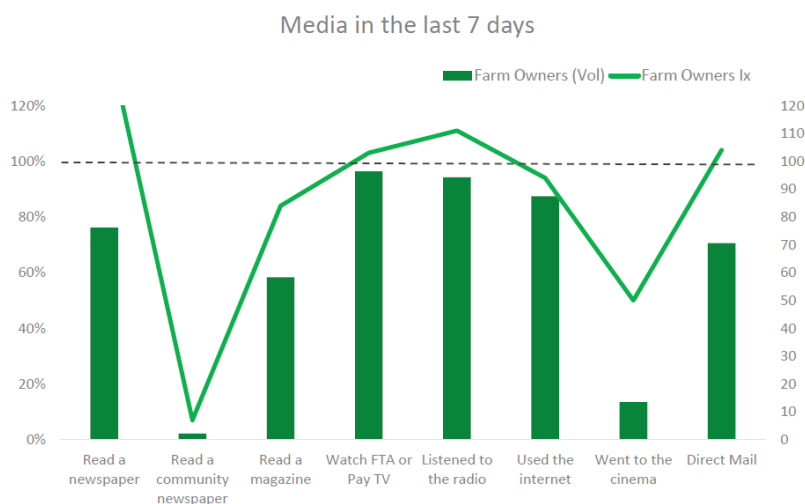
Farmers are actively looking for expert advice, and the experts are using the GRDC's advice

- 84% of Farmers read Ground Cover to inform their farming practices.
- The proportion of growers who accessed information from the GRDC in relation to changing their farming practices rose to 95%. The information typically came from Ground Cover (mentioned by 84%) or supplements and fact sheets (69%).
- Ground Cover remains the most highly regarded source of GRDC information, and the proportion of growers who value it 'a lot' has trended steadily upwards since 2010.
- 40% of growers pay for advice (58% in West)
- Currently, 39% of growers pay for farm management advice, ranging from 34% among southern region growers to 36% in the north and a substantially higher 58% in the west. Growers typically pay for in crop tactical advice (22% of growers), but 17% pay for whole farm planning and 13% for strategic business advice.
- Three quarters (75%) of the paid advisers refer to NVT information and a slightly lower proportion (71%) acknowledge the GRDC as a source of information.

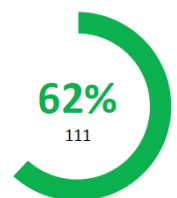
Audience snapshot

- Male 72%
- Married or de facto 81%
- Located on the Eastern seaboard 86%
- Own their home 51%
- Have children under 18yrs old 42%
- Lived in their current home 10yrs + 62%
- Aged 40-59 years 48%
- More likely to consume traditional forms of media

More likely to consume traditional forms of media



Watched commercial TV



Listened to commercial radio

Why the Australian?

- The Global Food Forum, which is in its 4th year, is an important and permanent forum for the agri-business sector in Australia.

- *The Australian* secures some of the biggest names and thinkers within this industry to debate and discuss opportunities and challenges for agriculture in Australia on the global stage. This in itself offers incredible insights and opportunity for the GRDC, and it ensures that grain growers have a voice in this national discussion.
- Broadly though, the GRDC invests in a comprehensive portfolio of activities which allows us to reach a broad audience including growers, grower advisers, research partners, industry experts, potential new domestic and international partners and government. Importantly this includes young people who are looking to develop long-term careers in agriculture.
- These activities include conferences, owned publications such as Ground Cover magazine, Ground Cover TV, research outcome apps, social media, traditional media releases and editorial, GRDC website, radio programs, video and podcasts, research updates, sponsorship, scholarships and much more.
- This means we have to have a range of activities targeted at different groups. *The Australian* is a widely read publication with *Weekend Australian*. *The Australian*, according to News Corp, reaches more than 3 million people per year.
- Conferences provide an excellent opportunity to have face to face engagement with a many people in the industry
- The GRDC believes grains should have a voice in important discussions on the importance of R&D to the Australian economy.
- **The sponsorship of the Global Food Forum is \$70,000.** This includes a range of activities including attendance at the conference, branding opportunities, a speaking slot at the event, co-branded content and opportunities to suggest editorial content.
- **Numbers**
 - The average circulation of *The Australian* is:
 - Monday - Friday: 104 165
 - Weekend: 230 182.
 - The average circulation of *The Weekend Australian Magazine*: 230 859.
 - The average daily circulation of *The Australian* tablet app: 14 401 Australian users.
 - Online, *The Australian*, which incorporates the *Business Spectator* and *Wall Street Journal* has an unduplicated monthly unique audience: 1 472 000.
 - *The Australian* mobile site, which incorporates the *Business Spectator*, has an average domestic audience: 68 660.
- **Average circulation of *The Australian* to regional areas is:**
 - Monday to Friday: 47 000
 - Saturday: 77 000.
 - The average regional/rural circulation of *The Weekend Australian Magazine*: 55 000.
 - The average daily circulation of *The Australian* tablet app: 7000 Australian regional/rural users.
 - Online, *The Australian*, has a regional/rural audience: 130 000.
 - *The Australian* mobile site, has a regional/rural audience: 19 000.

Global Food Forum EVENT INTEGRATION

- Event branding:
 - 'Sponsored by' acknowledgement at the start of the event
 - Co-branded programs on tables
 - Co-branding on official invitation to guests
 - Logo on media wall behind the stage
 - GRDC logo will feature on the campaign dinkus across some collateral
 - 100% SOV on the series hub

- Access to all specifically created partnership content to run across own channels and within newsletters
 - Exclusive branding around the post event coverage
 - GRDC logo will appear on a proportion of the co-brand activity
- **\$70k investment delivering \$330,651 of value**

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2016

Agriculture and Water Resources

Question: 28

Division/Agency: Grains Research and Development Corporation

Topic: Office space

Proof Hansard page: 21-22

Senator GALLACHER asked:

Senator GALLACHER: You have 50 permanent staff and you have 15 contractors so you have 32 square metres per person, which is roughly double the most generous allowance in the public sector of about 12 to 14 metres per person. So your rent is twice what a normal public service department has. Do you accept that?

Mr Thomas: I would have to take it on notice to look at all the figures.

Answer:

As previously advised, Grains Research and Development Corporation has plans to sublease space to reduce the per head cost, subject to Department of Finance approval.