



Australian Government
Department of Agriculture

Ref:

Senator the Hon. Bill Heffernan
Chair
Senate Rural and Regional Affairs and Transport Legislation Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Senator Heffernan

Having reviewed the transcript of the Supplementary Budget Estimates hearing conducted by the Senate Rural and Regional Affairs and Transport Legislation Committee on Thursday 20 November 2014, the Department of Agriculture would like to make the following corrections.

The first correction relates to Ms Evans' response to a question from Senator Cameron. The relevant dialogue is on page 35 of the proof Hansard:

Senator CAMERON: So that \$450 million is for the program on drought?

Ms Evans: That is correct.

I wish to highlight to the committee that Ms Evans mistakenly confirmed that the \$450 million is for the Drought Concessional Loans Scheme. The \$450 million in 2014-15 is for the Farm Finance and Drought Concessional Loans schemes (\$210 million for the Farm Finance Concessional Loans Scheme and \$240 million for the Drought Concessional Loans Scheme). Therefore the correct response should read:

Ms Evans: The \$450 million in 2014-15 is for the Farm Finance and Drought Concessional Loans schemes.

The second correction relates to Mr Chapman's response to a question from Senator Cameron. The relevant dialogue is on page 49 of the proof Hansard:

Senator CAMERON: Do we import lots of animals from China?

Mr Chapman: We do not import any animals from China.

I wish to advise the committee that since the hearing it has been drawn to my attention that at page 49 of the transcript, Senator Cameron asked "Do we import lots of animals from China?"

I replied "We do not import any animals from China". This answer was not correct.

The correct response should be:

Mr Chapman: Australia imports live ornamental fish (usually goldfish) from mainland China. In the 12 month period 1 November 2013 to 31 October 2014 there were 95 consignments of live ornamental fish imported from China. There were no other live animals imported from mainland China during this time period.

In the same period 85 cats, 170 dogs and seven horses were imported from Hong Kong. Laboratory rodents are also permitted to be imported from Hong Kong.

The animal imports from Hong Kong are based on agreed protocols and certification with the relevant competent authority, which is Hong Kong's Agriculture, Fisheries and Conservation Department (ie not China's AQSIQ).

The third correction relates to a response by Ms Luscombe to a question from Senator Cameron. The relevant dialogue is on page 51 of the proof Hansard:

Senator CAMERON: Ms Luscombe, how many freedom of information applications are you currently dealing with?

Ms Luscombe: This financial year to date we have received 22 requests...

I wish to advise the committee that since the hearing it has been drawn to my attention that as at 20 November 2014, the department had received 23 requests. Therefore the correct response should read:

Ms Luscombe: As at 20 November 2014, the department has received 23 requests this financial year...

The fourth correction relates to a response by Ms Luscombe to a question from Senator Cameron. The relevant dialogue is on page 52 of the proof Hansard:

Senator CAMERON: What is your KPI, to use the jargon?

Ms Luscombe: We need to report the timeliness of the processing of our requests, and I think we do that annually. So we would have to report if—

I wish to advise the committee that since the hearing it has been drawn to my attention that the department reports on the timeliness of the processing of its FOI requests in quarterly statistical returns to the Office of the Australian Information Commissioner. Therefore the correct response should read:

Ms Luscombe: We need to report the timeliness of the processing of our requests, and we do this on a quarterly basis.

The fifth correction relates to Mr Williamson's response to a question from Senator Heffernan. The relevant dialogue is on page 62 of the proof Hansard:

Mr Williamson: We have adjusted our profiles for wood products, which includes pallets coming out of China, because it has a different profile to what it had been before the insects were discovered.

I wish to advise the committee that the correct terminology is that the profiles put in place relate to specific suppliers and importers, rather than wood products. Therefore the response should read:

Mr Williamson: We have adjusted our profiles, which includes consignments coming out of China from specific suppliers to specific importers.

The sixth correction relates to Mr Murnane's response to a question from Senator Cameron. The relevant dialogue is on page 78 of the proof Hansard:

Mr Murnane: It might be easier if I could provide you that on notice. They are significant. Cotton is our second largest export to China at the moment behind wheat.

I wish to advise the committee that since the hearing it has been drawn to my attention that wool is our largest export to China. Therefore the correct response should read:

Mr Murnane: It might be easier if I could provide you that on notice. They are significant. Cotton is our second largest export to China at the moment behind wool.

The seventh correction relates to a response by Senator Colbeck to a question from Senator Cameron. The relevant dialogue is on page 84 of the proof Hansard:

Senator Colbeck: Yes, whether Senator Joyce has.

I wish to advise the committee that although this was said, Minister Joyce is not a senator and it should read:

Senator Colbeck: Yes, whether Minister Joyce has.

The eighth correction relates to a response by Mr Padovan to a question from Senator Sterle. The relevant dialogue is on page 104 of the proof Hansard:

Mr Padovan: In terms of the findings of the review, as you mentioned, the review was completed and submitted to government on 10 November. We are currently going through a consultation process, as the minister identified in his press release, with both state and the RFCS providers in relation to the findings of the review...

I wish to advise the committee that since the hearing it has been drawn to my attention that in fact the NRAC review was submitted to the government on 26 September 2014. The report was publicly released by the Minister on 10 November 2014. Therefore the correct response should read:

Mr Padovan: In terms of the findings of the review, as you mentioned, the review was completed and submitted to government on 26 September. We are currently going through a consultation process, as the minister identified in his press release, with both state and the RFCS providers in relation to the findings of the review...

The ninth correction relates to Mr McNamara's response to a question from Senator Leyonhjelm. The relevant dialogue is on page 105 of the proof Hansard:

Mr McNamara: Because the regulation was registered and passed in December last year, that requirement does not apply to this particular regulation. That was the advice from the Office of Best Practice Regulation at the time. We did ask a question in regard to the regulation, and the advice from OBPR was that no further work was required.

I wish to advise the committee that the regulation was not registered and passed in the same month. Therefore the correct response should read:

Mr McNamara: Because the regulation was registered in June 2013 and passed its disallowance period in December last year, that requirement does not apply to this particular regulation. That

was the advice from the Office of Best Practice Regulation at the time. We did ask a question in regard to the regulation, and the advice from OBPR was that no further work was required.

The tenth correction relates to a response by Mr Padovan to a question from Senator Leyonhjelm. The relevant dialogue is on page 106 of the proof Hansard:

Mr Padovan: What an importer is required to do is, firstly, undertake a risk assessment to determine the risk of the timber or timber product being from an illegal source. Following that the second stage is to undertake due diligence...

I wish to advise the committee that the risk assessment follows due diligence. Therefore the correct response should read:

Mr Padovan: What an importer is required to do is to undertake due diligence. Firstly, an importer must obtain information about the timber product they intend to import where this information is 'reasonably practicable' to obtain. They must then undertake a risk assessment to determine the risk of the timber or timber product being from an illegal source.

The eleventh correction relates to a response from Mr Padovan to a question from Senator Sterle. The relevant dialogue is on page 110 of the proof Hansard:

Senator STERLE: But they have all disappeared now?

Mr Padovan: Yes.

I wish to advise the committee that some issues are in the process of being addressed. Therefore the correct response should read:

Mr Padovan: Yes—all have been or are being addressed.

The twelfth correction relates to a response from Mr Padovan to a question from Senator Sterle. The relevant dialogue is on page 110 of the proof Hansard:

Mr Padovan: There were a number of teething issues that were identified during the initial rollout of the Farm Household Allowance. DHS had lead responsibility for delivery. We worked closely with DHS. When issues were raised with us, we brought them to the attention of the Department of Human Services. All of those issues, to the best of my knowledge, were worked through. There were some initial teething issues, as you might expect with something of this—

I wish to advise the committee that the correct phrasing to clarify that some issues are in the process of being addressed. Therefore the correct response should read:

Mr Padovan: There were a number of teething issues that were identified during the initial rollout of the Farm Household Allowance. DHS had lead responsibility for delivery. We worked closely with DHS. When issues were raised with us, we brought them to the attention of the Department of Human Services. All of those issues, to the best of my knowledge, were or are being worked through. There were some initial teething issues, as you might expect with something of this—

The thirteenth correction relates to Ms Kennedy's response to a question from Senator Sterle. The relevant dialogue is on page 112 of the proof Hansard:

Ms Kennedy: I can start with this. Mr Padovan might be able to add to this. Perhaps the most relevant thing that has happened just recently is that the Bureau of Meteorology have raised their alert level for El Nino, as you probably have seen, from 'watch' to 'alert', which I

understand means there is around a 70 per cent chance that that El Nino may occur. My understanding also is that whether or not that actually eventuates—I understand it is quite late in the season for such an event to occur—there are still likely to be some seasonal impacts that are consistent with an El Nino. Is that the sort of information that you are after?

I wish to advise the committee that the correct terms for the conditions and Bureau of Meteorology tool referenced is as follows:

Ms Kennedy: I can start with this. Mr Padovan might be able to add to this. Perhaps the most relevant thing that has happened just recently is that the Bureau of Meteorology have raised their ENSO Tracker level for El Niño, as you probably have seen, from 'watch' to 'alert', which I understand means there is around a 70 per cent chance that that El Niño may occur. My understanding also is that whether or not that actually eventuates—I understand it is quite late in the season for such an event to occur—there are still likely to be some seasonal impacts that are consistent with an El Niño. Is that the sort of information that you are after?

The fourteenth correction relates to the terminology Ms Willock used in response to Senator Sterle's question. The relevant dialogue is on page 112 of the proof Hansard:

Ms Willock: I am the Assistant Secretary of the Farm Business Branch, with responsibility for the drought concessional loans. Certainly where drought conditions are experiencing a rainfall deficiency of between 10 and 20 in terms of the one-in-20-year drought and the one-in-10-year drought, that is part of the eligibility criteria, but it is really an assessment of the individual farm business, whether it has had a significant financial impact because of those drought conditions and, therefore, has a need for assistance arising out of its experience of drought. A drought criterion is that there has to be a continuous event of rainfall deficiency of 12 continuous months or more in the last two years.

I wish to advise the committee that the correct terminology is drought concessional loans criterion, therefore the correct response should read:

Ms Willock: I am Anna Willock, the Assistant Secretary of the Farm Business Branch, with responsibility for the drought concessional loans. Certainly where a farm business is experiencing a rainfall deficiency equivalent to either a one-in-10 or one-in-20 year rainfall event, that is part of the eligibility criteria, but it is really an assessment of the individual farm business, whether it has had a significant financial impact because of those drought conditions and, therefore, has a need for assistance arising out of its experience of drought. A drought concessional loans criterion is that there has to be a continuous event of rainfall deficiency of 12 continuous months or more in the last two years.

The fifteenth correction relates to a response by Ms Willock to a question from Senator Sterle. The relevant dialogue is on page 113 of the Hansard:

Ms Willock: There has been quite a lot of interest. The delivery is through the Department of Agriculture, Fisheries and Forestry over in Western Australia. The RBDC is the delivery agent there.

I wish to highlight to the committee that Ms Willock mistakenly stated the incorrect name of the agency involved in the delivery of the farm finance and drought concessional loans in Western Australia. Therefore the correct response should read:

Ms Willock: There has been quite a lot of interest. The delivery is through the Department of Agriculture and Food over in Western Australia. The RBDC is the delivery agent there.

The sixteenth correction relates to a response by Ms Willock to a question from Senator Sterle. The relevant dialogue is on page 113 of the Hansard:

Ms Willock: In terms of the drought concessional loans, you would have seen a media release a couple of days ago announcing a \$30 million commitment for the drought concessional loans in Victoria. We have been working very closely with our South Australian counterparts to make drought concession loans available in that state. Recently the South Australian minister has confirmed the delivery arrangements, so officials are moving on to finalise the arrangements to make the loans available there.

I wish to advise the committee that the correct terminology to clarify which South Australian Minister was being referred to is:

Ms Willock: In terms of the drought concessional loans, you would have seen a media release a couple of days ago announcing a \$30 million commitment for the drought concessional loans in Victoria. We have been working very closely with our South Australian counterparts to make drought concession loans available in that state. Recently the South Australian Minister for Agriculture, Food and Fisheries confirmed the delivery arrangements, so officials are moving on to finalise the arrangements to make the loans available there.

The seventeenth correction relates to a response by Ms van Meurs to a question from Senator Back. The relevant dialogue is on page 118 of the proof Hansard:

Ms van Meurs: The virus has been considered as part of past reviews and also the review in 2013 for imports of Californian table grapes into Western Australia...

I wish to advise the committee that since the hearing it has been drawn to my attention that the virus was first considered as part of the review for California table grapes into Western Australia that was started in 2012 and completed in July 2013. Therefore the correct response should read:

Ms van Meurs: The virus was first identified in 2012 and considered in the review in 2013 for imports of Californian table grapes into Western Australia...

The eighteenth correction relates to Ms Arthy's response to a question from Senator Leyonhjelm. The relevant dialogue is on page 130 of the proof Hansard:

Ms Arthy: I cannot really comment about what happened before I was CEO. All that I can say is that, once I became aware of this and based on the advice that I had, I saw many reasons to change the way that it had been applied.

I wish to advise the committee that since the hearing and since receiving the draft transcript I have reviewed the video transcript of the hearing and note that a proportion of my answer was left out of the transcript. I wish the transcript to reflect my full answer as follows:

Ms Arthy: I cannot really comment about what happened before I was CEO. All that I can say is that, once I became aware of this and based on the advice that I had, that there was no reason – I have got many reasons to change the way that it had been applied.

Thank you for the opportunity to review the transcript of the Supplementary Budget Estimates hearing held on Thursday 20 November 2014 and to provide clarification on the above points.

Yours sincerely

 Lee Cale

Assistant Secretary
Governance Branch

9 December 2014