

## **CHAPTER 3**

# **AGRICULTURE, FISHERIES AND FORESTRY PORTFOLIO**

### **Department of Agriculture, Fisheries and Forestry**

3.1 The Committee heard evidence from the department on Wednesday 25 May and Thursday 26 May 2005. The hearing was conducted in the following order:

- Management Services and Corporate Governance
- Food and Agriculture (including Wheat Export Authority)
- Biosecurity Australia
- Market Access
- Product Integrity (including aquatic animal) and Plant Health
- Australian Quarantine and Inspection Service (AQIS)
- Australian Bureau of Agriculture and Resource Economics (ABARE)
- Bureau of Rural Sciences (BRS)
- Rural Policy and Innovation
- Fisheries and Forestry
- Natural Resource Management

3.2 The hearing began with a minute's silence in remembrance of the late Dr David Banks, an officer with Biosecurity Australia. Dr Banks was a casualty of the Lockhart River plane crash (see paragraph 2.14).

3.3 As in the Department of Transport and Regional Services, throughout the Budget Estimates hearings, the committee showed considerable interest in staffing issues, such as numbers and costs, workplace diversity, certified agreements and insurance cover; with a particular focus on the Wheat Export Authority,<sup>1</sup> Biosecurity Australia,<sup>2</sup> and AQIS.<sup>3</sup>

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1 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 63, pp. 69-70, and pp. 75-77

2 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 84

3 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 13

## Management Services and Corporate Governance

3.4 The committee began questions on the department's overall price of outputs. The department's 2005-06 PBS shows an increase in appropriations of \$113,599.<sup>4</sup> \$63 million of this figure is allocated for the Australian Quarantine and Export Inspection Program. The program is due to lapse this year and questioning established that the appropriation recorded the government's renewal of the program. The program was not new departmental activity, but for accounting reasons it appeared so.<sup>5</sup>

## Food and Agriculture

3.5 The department outlined the decrease in funding for the National Food Industry Strategy (NFIS) was due to a reallocation of funds to the Food Innovation Grants (FIG) program which is part of the strategy. The strategy is intended 'to drive increased investment in innovation, increased export growth and improved productivity, efficiency and skills in the Australian food industry.'<sup>6</sup> The FIG program is administered by NFIS Ltd, an industry led, Commonwealth funded company.<sup>7</sup>

3.6 The extra funding of \$1.1331 million over the 2004-05 to 2005-06 financial years allows for an extra round of grants. The grants run for roughly 18 months to two years.<sup>8</sup> To date the government has contributed \$30 million towards the Food Innovation Grants Program, with a total of 36 grants. This has been leveraged with \$41 million in matching funding from the food industry. A mid term review by Allen Consulting indicated that many companies within industry have made greater contributions to improve the food industry because of the support offered by the grants.<sup>9</sup> Furthermore, the food industry networks are being strengthened and there has been greater interest in international contributions to Australian research and development.<sup>10</sup>

3.7 The Australia Food Safety Centre of Excellence based at the University of Tasmania, for example, has established an allergens bureau in collaboration with universities in Victoria and with the CSIRO. The research they do will minimise the

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4 *Portfolio Budget Statements, Agriculture, Fisheries and Forestry 2005-06*, p. 15

5 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 3-6

6 *National Food Industry Strategy*, Department of Agriculture, Fisheries and Forestry, <http://www.nfis.com.au/>

7 *National Food Industry Strategy*, Department of Agriculture, Fisheries and Forestry, <http://www.nfis.com.au/>

8 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 11

9 *National Food Industry Strategy*, Department of Agriculture, Fisheries and Forestry, <http://www.nfis.com.au/>

10 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 12-13

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presence of allergens and protect consumers through improved product labelling. Both large and small Australian companies will benefit from their work.<sup>11</sup>

3.8 The department also shared that it has developed a framework to minimise auditing compliance assessment for both government and industry. The draft competency standard for food safety auditors that has been developed is now at a stage where it can be implemented by various government agencies and private companies.<sup>12</sup>

3.9 The committee questioned the department about the Australian HomeGrown campaign.<sup>13</sup> The initiative supports totally Australian grown produce in domestic retail through product labelling and media advertising. The government's intention is to provide seed money to establish the program until it becomes self-funding.<sup>14</sup> The committee asked the department how they would respond to the potential problem of supermarkets placing restrictions on producers to label their product.

3.10 The department explained that whilst there was no legislation or policy directly related to protecting the rights of producers with the HomeGrown label, there is policy framework for country of origin labelling. The policy is overseen by the health framework, Food Standards Australia New Zealand (FSANZ),<sup>15</sup> and helps consumers to ascertain whether food is produced within Australia or overseas. The department's intent is to see commercial relationships develop between producers and supermarkets through the HomeGrown Australia campaign, and eliminate the need for legislation to enforce cooperation.<sup>16</sup>

3.11 As a continuum to the previous additional estimates,<sup>17</sup> the committee spent considerable time questioning the department on the Citrus Canker problem. The department outlined that \$3.5 million has been allocated to the Citrus Canker eradication program for the coming financial year.<sup>18</sup> For further information, see the Australian Quarantine and Inspection Service at paragraph 3.42 to 3.47.

3.12 As at the last additional estimates,<sup>19</sup> the committee pursued questions in relation to the Sugar Industry Reform Package. The committee was concerned at that time over the delay in the second tranche of the Sustainability Grants. It was advised

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11 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 12

12 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 16

13 *Australian HomeGrown*, <http://www.australianhomegrown.com.au/>

14 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 17-8

15 *Food Standards Australia New Zealand*, <http://www.foodstandards.gov.au/>

16 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 19-21

17 *RRAT Committee Additional Estimates 2004-05 Report*, p. 22

18 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 29

19 *RRAT Additional Estimates 2004-05 Report*, pp. 20-21

at the time that the reform plans prepared by the Regional Advisory Groups (RAGs) were in need of 'more work'.<sup>20</sup> According to the Minister for Agriculture, Fisheries and Forestry, the RAGs' plans now 'need to give greater emphasis to quantifying the expected benefits of the proposed industry reforms'.<sup>21</sup> The minister has again received advice from the Industry Oversight Groups (IOGs) that the RAGs needed additional professional assistance to further develop their plans.<sup>22</sup>

3.13 The committee was not able to receive the RAGs plans requested during the Additional Estimates as 'It is the decision of the Regional Advisory Groups, in consultation with the Minister for Agriculture, Fisheries and Forestry, to determine the availability of regional plans.'<sup>23</sup> As a result, the department was limited in its capacity to discuss the content of the plans. However, the department advised that the plans are intended take a 'patching and repairing' approach rather than focusing on a 'genuine structural reform'.<sup>24</sup>

3.14 The committee heard that the IOGs had been allocated \$8 million for the period 2003-04 through to 2007-08. The department expects the remainder of the allocation of funds will be spent this financial year. Further to this, the department relayed its involvement with the IOGs as a secretariat role and hence outlined the responsibility of reporting to the minister about the RAGs' plans was with the IOGs, not the department.<sup>25</sup>

3.15 The committee also heard evidence in relation to the South Johnstone Mill.<sup>26</sup> The committee queried when a series of questions about the mill on the *Notice Paper* would be answered. The department relayed that when the issue was before the Queensland Supreme Court in 2003, the hearing had concluded on the basis of a confidential settlement arrangement that involved the Commonwealth. The department commented, 'we need to be very careful so as to not potentially prejudice the Australian government if a future action is being contemplated.'<sup>27</sup> The committee was concerned that a matter involving \$1.1 million of public money could not be subject to questions on the basis that future action may arise.<sup>28</sup>

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20 RRAT Committee Additional Estimates, *Transcript of Evidence*, 15 February 2005, p. 13

21 The Hon Warren Truss MP Media Release, *Extra help for regional sugar industry reform plans*, <http://www.maff.gov.au/releases/05/05138wt.html>

22 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 50

23 RRAT Committee Answers to Questions on Notice, Agriculture, Fisheries and Forestry, Question F&A 06

24 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 55

25 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 51-53

26 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 58-60

27 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 58-9

28 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 59-60

- 3.16 The committee also discussed matters relating to:
- The New Industries Development program (NIDP)<sup>29</sup>
  - The Food Processing in Regional Australia program<sup>30</sup>
  - Horticulture Code of Conduct<sup>3132</sup>
  - The Sugar Industry Exit Package<sup>33</sup>

### **Wheat Export Authority (WEA)**

3.17 The committee pursued questions in relation to the government response to the 2004 Wheat Marketing Review. The committee questioned the regulatory role of the WEA with reference to the review's recommendation that; 'AWBI should enhance its independence from AWB Ltd at a corporate and operation level to ensure fully transparent negotiation of services and remuneration.'<sup>3435</sup> The committee further sought transparency in services to be reflected in the WEA report where 77 services are listed, without any specifics. One such service is AWB Ltd's provision of ocean freight, where it is the only international freight service offered for wheat exports. The committee is concerned that this is a monopolistic approach by the Wheat Board.<sup>36</sup>

3.18 The committee also inquired about the AWB Ltd ships that are currently being held in an Iraqi port. The committee questioned who would be responsible to pay the demurrage fee. The WEA will inform the committee on notice as to who absorbs the cost of demurrage.<sup>37</sup> The committee was concerned that WEA was not informed on such a matter.

3.19 The committee asked questions in relation to the resignation of the former WEA chair due to a conflict of interest. The committee was informed that the former chair, Mr Walter, stood down from duties in July 2004 and was still remunerated until his term expired on 31 December 2004. The conflict of interest described related to the work Mr Walters was doing for a law firm, Minter Ellison, where he was representing a key stakeholder in the AWB(I) group. The Act does not provide for an

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29 *NIDP and Agribiz*, Department of Agriculture, Fisheries and Forestry, <http://www.affa.gov.au/content/output.cfm?ObjectID=821E372F-6216-49D3-AEEBC6696728C8E4>

30 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 21-4

31 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 25-8

32 *Horticulture Code of Conduct*, [http://www.austcitrus.org.au/internal.php?page\\_id=374](http://www.austcitrus.org.au/internal.php?page_id=374)

33 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 54

34 *Truss releases wheat marketing review response*, Minister for Agriculture, Fisheries and Forestry Media Release, p. 2

35 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 65

36 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 65-67

37 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 66-67

acting chair, so during the interim phase Mr Besley was nominated to be a presiding member until a formal replacement was nominated.<sup>38</sup>

3.20 The committee also heard evidence from WEA in relation to:

- WEA board meetings<sup>39</sup>
- The growers pool<sup>40</sup>
- Replacement of the WEA independent member<sup>41</sup>
- WEA travel<sup>42</sup>
- The National Single Desk.<sup>43</sup>

### **Biosecurity Australia**

3.21 The 2005-06 PBS shows a decrease in outcome appropriations due to Biosecurity Australia's (BA) separation from the department as a prescribed agency.<sup>44</sup> The committee was interested to know how the financial change has been reflected in the operation of the newly prescribed agency. BA gave a good outline of the agency's undertakings in the last six months. However, they admitted that much of the activity would have continued without becoming a prescribed agency. The exception was the financial separation, and the filling of three senior executive positions, and the position of the newly appointed additional chief financial officer.<sup>45</sup>

3.22 The committee questioned whether BA had been meeting its performance indicators as listed in the PBS.<sup>46</sup> BA informed the committee that the indicators were no longer accurate due to changes in the organisation's structure. BA intends to reassess the performance indicators.<sup>47</sup> The committee is concerned that BA does not currently have adequate benchmarks by which to gauge its performance.

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38 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 71-4

39 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 70-1

40 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 67-8

41 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 73

42 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 74

43 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 75; and

AWB, *The Benefits of the National Single Desk*,

<http://www.awb.com.au/AWBL/Launch/Site/AboutAWB/Content/FactsIndustryInformation/SingleDeskBenefits/BenefitsOfTheNationalSingleDesk/Benefits+of+the+national+Single+Desk.htm>

44 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 6-7

45 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 82-4

46 *Portfolio Budget Statements 2005-06, Agriculture, Fisheries and Forestry*, p. 94

47 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 85-6

3.23 The committee continued to pursue its interest in the importation of Brazilian beef.<sup>48</sup> The department outlined there had been no change since the Additional Estimates, the policy under which cooked and uncooked Brazilian beef is imported is still suspended, and all permits under that policy have subsequently been revoked. The policy is currently under review.<sup>49</sup> The committee is disappointed that Australia had accepted beef in a F&MD free declared country that is not adequately monitoring its borders in a F&MD area.<sup>50</sup>

3.24 BA had intended to visit Brazil to conduct further investigations of zoning and certification arrangements; however Brazil had visits from other countries which meant they were unable to accept the Australian delegation at that time.<sup>51</sup>

3.25 AQIS has investigated four plants in Brazil that exported cooked meat before the policy was suspended. They took into account veterinary public health, sanitary control systems, certification procedures and traceability of stock and product. The visit will assist in the consideration of any policy for permitting cooked beef to enter Australia.<sup>52</sup>

3.26 During the additional estimates the department explained that the policy for the importation of beef from Brazil established in 1998 was the subject of full consultation.<sup>53</sup> At this hearing, the committee was greatly concerned that the process of consultation was not adequate. As a result, the department will provide on notice a copy of the draft policy memorandum and comments from key stakeholders involved.<sup>54</sup>

## Market Access

3.27 The committee pursued an ongoing interest in the issue of animal welfare in live exports, as discussed in the Keniry review.<sup>55</sup> Following the Additional Estimates, the department provided a copy of the MOU with the UAE on notice to the committee.<sup>56</sup> The committee asked for an update on the negotiation of MOUs relating to live exports with the 10 other countries previously discussed.<sup>57</sup> The department

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48 *RRAT Additional Estimates 2004-05 Report*, pp. 22-4

49 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 86-7

50 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 94-5

51 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 87

52 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 87

53 RRAT Committee Additional Estimates, *Transcript of Evidence*, 15 February 2005, p. 33

54 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 91-2

55 *Animal Welfare – The Keniry Report – Livestock Export Review*, <http://www.daff.gov.au/content/publications.cfm?Category=Animal%20fixand%20Plant%20Health&ObjectID=056153D8-2885-4ACD-9A0BF0E15B1B6DDB>

56 RRAT Additional Estimates answer to question on notice, Question MA01

57 *RRAT Committee Additional Estimates 2004-05 Report*, p. 24

outlined that the minister had signed an MOU with Kuwait in March 2005, and in late April early May he signed MOUs with Saudi Arabia, Jordan and Eritrea. Negotiations are still underway with Bahrain, Qatar, Oman, Syria, Israel, Egypt and Iran. The MOUs are based on the UAE MOU. The critical principle is that animals are unloaded into areas of quarantine if any problems occur with shipments on arrival into these countries.<sup>58</sup> The committee welcomes the implementation of the MOUs.

### **Product Integrity, Animal and Plant Health**

3.28 The committee asked the department for further details on the National Identification Scheme (NLIS) for cattle.<sup>59</sup> The funding of \$20 million is still under government consideration in consultation with the cattle industry. The difficulty the scheme is experiencing is in relation to having a unified response across all states:

one of the difficulties we have had is trying to get a unanimous view around the place in terms of how that money would be best expended to assist producers with the uptake of the NLIS. For example, in Victoria where the NLIS was first introduced some years ago, their producers are pretty much used to it as part of their business and have, with the support of the Victorian government, got the implementation pretty well completed, whereas in some of the northern jurisdictions from 1 July this year they will be starting implementation, so their needs are very different to Victoria's.<sup>60</sup>

The committee expressed concern that the 1 July implementation date is approaching and expenditure of the Commonwealth funds is still under consideration. It notes the department's difficulties arising from the industry's lack of clarity as to how the money should be spent. The committee will maintain a keen interest in the program.

3.29 The committee continued discussions from the Additional Estimates on the Ovine Johns Disease (OJD) management.<sup>61</sup> The department re-asserted that it was not an eradication program, but a management program to decrease the spread of the disease. \$300,000 has been allocated for the fund this year, and \$553,000 for the 2005-06 financial year. The funding will be used for the Commonwealth's percentage of the shared costs for abattoir surveillance.<sup>62</sup>

3.30 The committee queried the delayed report of Exercise Minotaur, an exercise used to assess the hypothetical outbreak of Foot and Mouth Disease (F&MD) in Australia.<sup>63</sup> The exercise was announced in September 2002 and the *Exercise*

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58 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 97-8

59 RRAT Committee Additional Estimates 2004-05 Report, p. 24

60 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 103

61 RRAT Committee Additional Estimates 2004-05 Report, p. 25

62 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 104-5

63 Agriculture, Fisheries and Forestry, *Exercise Minotaur*,  
<http://www.affa.gov.au/exerciseminotaur>

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*Minotaur Evaluation Report* was released on 19 April 2005. The department explained that the delay had occurred because extensive consultation had been undertaken. Reports from various jurisdictions about the exercise had to be brought together into one Council of Australian Governments (COAG) report. The department stated, 'the exercise itself was the biggest simulation that this country had undertaken in peacetime'.<sup>64</sup> The committee is concerned that work had been undertaken on the outcome of the exercise prior to the publication of the report. This is similar to the delays in the government response to the Joint Standing Committee on the National Capital and External Territories report on Norfolk Island governance (see paragraph 2.65). The committee is concerned about delays in publishing government responses. Without a final response the implementation of recommendations may be patchy and less effective.

3.31 As a result of the exercise; personnel have been specially trained to form a highly skilled Rapid Response Team that can be deployed to a particular location where any outbreaks of the disease occur. In addition to the Rapid Response Team, an Australian veterinary reserve will be established, as will network resources with other countries. Further, there has been administrative and communicative training of industry liaison officers.<sup>65</sup>

3.32 The veterinary reserve, operating under the 'Other Exotic Disease Preparedness Program' has recruited approximately 100 members. The initial pilot training course for the reserve was held last year. The program is due to commence the remaining training activity over the next 12 months.<sup>66</sup>

3.33 The committee was also interested to hear how the AUSVETPLAN and the Commonwealth, State and Territory plans would perform in the event of an outbreak of F&MD. The department stated that the plans are under constant review to ensure they are refined and strengthened for changing circumstances.<sup>67</sup>

3.34 The committee asked if the exercise considered how to create a FM&D free zone, as well as how to control the disease within zones. The department outlined that they had sent zoning submissions to overseas observers, particularly in the US, New Zealand and Canada, to gauge their responses. As a result, the department has ascertained that in the event of an outbreak it would take some months to put together a zoning application and then to receive a response from trading partners.<sup>68</sup> The committee also discussed F&MD zoning matters with Biosecurity Australia (see paragraph 3.25).

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64 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 107

65 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 112-3

66 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 106

67 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 107-9

68 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 109-10

3.35 The committee spent a good deal of time questioning the Australian Pesticides and Veterinary Medicine Authority (APVMA).<sup>69</sup> The committee had a particular interest in the use of 2,4-D and asked questions in the context of recent reports of spray drift of the chemical affecting food crops in the Murray Valley. The department explained that 2,4-D, a widely used herbicide for the control of broadleaf and weed grass is currently under a comprehensive review in collaboration with the Department of Health and Ageing. The department's initial comment is that 2,4-D is not an issue of public health concern. In October 2003 legislation was amended to allow for product labels to have more detailed information to warn consumers of the spray drift potential. Furthermore, the department is working with the states to develop 'formal seasonal no spray windows for the higher risk products' to prevent the contamination of food.<sup>70</sup>

3.36 The committee also discussed with the APVMA the triazine family, with particular reference to the chemical Atrozin used to remove grass. The committee questioned why Australia was permitting the use of this chemical in doses far higher than in Europe. The department outlined that Atrozin had been under review over the previous decade. Further to this, a draft report was issued in December 2004 and public comment received on the report is currently being assessed. Studies have determined that any detection of the chemical in water is not safe and should be investigated and remedied.<sup>71</sup>

3.37 APVMA also informed the committee that Paraquat is a major component to their current chemical review program.<sup>72</sup> Further, the department relayed that a draft review of 1080 was released the week of the hearing.<sup>73</sup>

3.38 The committee also discussed:

- The National Cattle Disease budget figures<sup>74</sup>
- The National Biosecurity Strategy<sup>75</sup>
- Eradication of the imported red fire ant<sup>76</sup>
- The International Convention for Chemicals Implementation<sup>77</sup>
- Plant health diagnostics<sup>78</sup>

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69 Australian Pesticides and Veterinary Medicine Authority, <http://www.apvma.gov.au/>

70 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 6-7

71 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 10-11

72 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 9-10

73 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 11-2

74 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 100-101

75 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 101-2

76 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 105-6

77 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 3

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- Mitigating the impact of invasive species<sup>79</sup>
  - The Tuberculosis Freedom Assurance Program.<sup>80</sup>

### **Australian Quarantine and Inspection Service**

3.39 The committee pursued an interest in AQIS budget allocations. The Minister for Agriculture, Fisheries and Forestry announced \$560.9 million to be provided over four years to extend the quarantine border security program. This was \$35.1 million less than the allocation for the program in 2001. The department outlined that the money allocated for the program is exactly the same as in 2001, however the difference of \$35.1 million will be paid in cost recovery charges through the import clearance program and the seaports program.<sup>81</sup>

3.40 The committee inquired about recent changes to the Indian Ocean Territories quarantine status. The Quarantine Act covering the Cocos (Keeling) Islands has been extended to include Christmas Island. The Act provides for specialised quarantine requirements for each island that differ from the mainland; 'which reflects their different pest and disease statuses'.<sup>82</sup> The maintenance of the quarantine station on West Island of the Cocos (Keeling) Islands was also explored. A recent cleanup of the station has been conducted; however the buildings have not been maintained since its closure. AQIS indicated their involvement as simply leasing the station out for the expected visit of the Thai elephants.<sup>83</sup>

3.41 The committee took great interest in the Citrus Canker issue. The original report of a Citrus Canker outbreak dated back to June 2001. It was in relation to a property called Evergreen Farm and was reported to AQIS via a Redline call. This is a line made available to inform AQIS of breaches in quarantine. The AQIS investigations and cuttings taken from the farm at that time indicated no signs of Citrus Canker. An outbreak at Evergreen Farm however, was confirmed in July 2004.

3.42 The epidemiology of the disease suggests that it was widely dispersed on the property around January-February of 2004. The spray equipment used on the farm would recapture the spray and then reapply it, which is suspected to be a major vehicle of the spread of Citrus Canker on the property.<sup>84</sup> A recent report indicates that a third property in the Emerald area of Queensland may be infected. It is suspected that high

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78 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 4

79 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 4-5

80 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 5

81 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 12-3 and p. 16

82 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 19

83 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 21-21

84 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 40

winds and rain in the area during January and February 2004 may have spread the infection between properties.

3.43 The state is responsible for investigations into the cause of the outbreak. It is looking into possible connections between the early report in 2001 and the confirmed recent outbreak. Moreover, it is investigating the allegations made in June 2001 of the illegal importation of diseased grape and citrus material onto Evergreen Farm.<sup>85</sup> AQIS is still waiting to receive the formal report from Queensland.

3.44 The government's funding of the eradication program is expected to be utilised in destroying the trees of the two infected properties found in Queensland. In addition to this, the native host, *Citrus glauca*, will be destroyed up to 600 metres within range of the properties. In affect, the quarantine area boundary has been increased due to the discovery of further citrus infection. Signs have been placed around the quarantine area indicating a fine of \$75,000 will be issued to anyone caught removing material from the area without authorisation. Whilst the department has helped to coordinate a national response and awareness of the outbreak, it is primarily the Queensland government's responsibility to proceed with the containment and eradication program.<sup>86</sup> The committee was greatly concerned that the quarantine boundary lines being put into place were not sufficient.<sup>87</sup>

3.45 The committee further questioned the department in relation to the deed of agreement it made with the owners of Evergreen Farm. During court proceedings on the alleged import of illegal plant material, the Federal Court approved six weeks of quarantine on Evergreen Farm in 2001. AQIS determined that six weeks was not sufficient to undertake the necessary testing to determine whether there were problems on the farm due to the alleged imported plant material. The company agreed to enter into a deed of arrangement that gave the department rights to access and monitor the farm for a further 18 months.<sup>88</sup>

3.46 At a private meeting on 27 May 2005, following consideration of these issues, the Committee decided under standing order 25(2)(b) to conduct an inquiry into the administration of the Citrus Canker outbreak. The committee will examine;

- (a) AQIS' response to the allegations of illegal importation of plant material;
- (b) The adoption of the quarantine protocols and management of the emergency response;
- (c) Cooperation between the commonwealth and states, including funding issues;

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85 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 32-33

86 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 29-30

87 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, pp. 36-8

88 RRAT Committee Budget Estimates, *Transcript of Evidence*, 25 May 2005, p. 33

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- (d) The impact of the incursion on the Australian citrus industry;
  - (e) prevention and management of future incursions; and
  - (f) other related matters.

3.47 The committee also discussed matters relating to border control arrangements<sup>89</sup>, export services<sup>90</sup> and US meat exports and enforcement audits.<sup>91</sup>

### **The Australian Bureau of Agricultural and Resource Economics**

3.48 The committee was interested to hear that ABARE has been in communication with the Water Commission in relation to their ongoing water research. ABARE also spoke of ways in which they are enhancing farm surveys. This is done through studying a combination of satellite imagery and physical samples taken from cadastral boundaries.<sup>92</sup>

3.49 As per past practice, the committee asked for an outlook on some major rural commodities. Iron and coal demands were discussed and ABARE indicated that the price of iron ore has seen an increase of 70 per cent and coal, 120 per cent. China has gone from a small exporter to a net importer. As a result, there has been a substantial increase in seaborne coal which explains some of the increase in prices. Furthermore, supply has not been able to meet demand, which also translates to an increase in prices. However, market prices will not last as large investments have gone into mines which will increase supply and hence, demand will be met.<sup>93</sup>

3.50 A key feature in the forecasts for agriculture was the impact of the dry weather conditions:

- The last 3-4 months have shown a downward trend in the price of beef, primarily due to dry conditions in Eastern Australia. With the US expected to re-enter the market next year, downward pressure will be placed on beef prices.<sup>94</sup>
- Wheat's planting and output has also been affected by dry conditions and therefore it is likely there will be slightly higher prices with less output.
- Cotton has had a smaller world crop this year; as a result there has been an increase of pressure on price. The key issue affecting cotton is Australia's water availability. There will probably be a lower output this year and higher prices as an offset.

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89 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 13-4

90 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 14-5

91 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 17-9

92 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 21.2

93 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 22-3

94 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 25

- Again the dry conditions in Australia's east has affected livestock numbers; however there has been a strong demand for lamb from the US. The low supply and high demand is potential for an upward pressure in prices.
- There has been a strong world wide demand for dairy products, and a lift is expected on fluid milk. Water availability has again put into question some of the farms in Victoria that rely on irrigated pasture.<sup>95</sup>

3.51 Further, sugar has seen high production rates in India and Brazil, which has translated to a slightly lower price than last year. ABARE is optimistic of an increase in outlook. While wool continues to have a low level of demand; as a result lower prices are expected next year.

3.52 Issues arising from the south-east trawl fishery report<sup>96</sup> and ABARE crop forecasts<sup>97</sup> were also explored by the committee.

### **Bureau of Rural Sciences**

3.53 Given the current drought, the committee queried the BRS on issues of water. The committee requested information about BRS' involvement with the National Water Commission (NWC). BRS outlined they had been in contact with the CEO of the NWC in February. This led to placing a BRS senior scientist into the commission on secondment for two days a week for a period of approximately four months. In addition, the BRS has briefed the CEO on work they are doing in collaboration with the Bureau of Meteorology and the CSIRO. BRS, as part of a collegiate group, has also offered assistance in the form of a working relationship with the commission.<sup>98</sup>

3.54 The BRS have also been working with CSIRO and the Bureau of Meteorology on the water balance across Australia. As part of the government's election commitment of \$20 million for salinity mapping, BRS will focus on the Murray-Darling Basin.<sup>99</sup> Their work 'provides the fundamental information on land condition for interventions'<sup>100</sup> under the National Action Plan for Salinity and Water Quality. Their studies will gain a greater knowledge on how salt spreads throughout the landscape to affectively develop strategies to deal with salinity. The action plan was also discussed during evidence from the Natural Resource Management division (see paragraph 3.79).

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95 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 25-6

96 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 25

97 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 24-5

98 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 27-8

99 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 28

100 *National Action Plan for Salinity and Water Quality*, <http://www.napswq.gov.au/mapping.html>

3.55 BRS gave the committee an update on fish stock assessments. The recently released fisheries status stock report shows that 17 of 74 commercial species were classed as overfished, 17 are not overfished, and 40 are uncertain.<sup>101</sup>

3.56 The committee was interested in the plantation forestry package recently announced by the Prime Minister. BRS outlined they had been looking at proposals:

By using the databases that exist and working in concert with the state forestry authority, we looked at the areas under consideration, the species mix under consideration, the logging potential and timber production from the species, and answered questions accordingly.<sup>102</sup>

BRS clarified that they had provided advice on the Prime Minister's final decision for the forestry package, but the final package was not a product of BRS.<sup>103</sup>

3.57 The committee also discussed the Centre of Excellence for Biosecurity Risk Analysis and Research.<sup>104</sup>

### **Rural Policy and Innovation**

3.58 Officers of the department defined the National Production Monitoring System<sup>105</sup> and drought assessment to the committee. It is a web based portal which combines sources of information such as rainfall and production.<sup>106</sup> The prototype has been endorsed by ministers of all jurisdictions and will be developed into a full operating production monitoring system.<sup>107</sup> The National Production Monitoring System will be used to assess and make recommendations on drought information and Exceptional Circumstance (EC) assistance and rural support.<sup>108</sup>

3.59 The committee queried why the Exceptional Circumstances interest rate subsidy had decreased substantially in this year's appropriations. Updating explanations from the Additional Estimates<sup>109</sup>, the department stated that it was a demand driven program and only 13 per cent of eligible farmers, instead of the estimated 30 per cent, had taken up the subsidy.<sup>110</sup> The committee asked specifically

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101 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 28

102 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 29

103 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 28-9

104 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 26-8

105 *Portfolio Budget Statements 2005-06, Department of Agriculture, Fisheries and Forestry Portfolio*, p. 54

106 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 29-30

107 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 30

108 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 30

109 *RRAT Committee Additional Estimates 2004-05 Report*, p. 28

110 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 36-7

about the South Australian farmers' EC applications, with recent allegations in the media that the national drought policy is not being applied equitably. RPI outlined that an EC application was rejected in South Australia because 'it could not demonstrate a rare and severe event that resulted in a prolonged impact on the majority of growers in that region.' The committee questioned whether the definition that constitutes an EC is clear enough for applicants.<sup>111</sup>

3.60 The committee also asked about various facets of the Agriculture - Advancing Australia (AAA) package. They discussed the AAA Farm Help package<sup>112</sup> and the AAA Industry Partnerships.<sup>113</sup> The AAA Rural Financial Counselling Service<sup>114</sup> was also discussed in length. The department confirmed that areas of the counselling service had experienced cost pressures. To allow the department to monitor budget expenditure, each of the services are required to provide financial reports three times a year in addition to an annual report.<sup>115</sup> The government has recently responded to last year's review of the package and as a result, there will be a re-examination of funding arrangements for the program. The committee was concerned that the current drought situation would bring an increase for demand of the service; and without adequate funding the package would not meet requirements.<sup>116</sup>

3.61 The committee sought assurance that Rural Policy and Innovation (RPI) was not under-funded to meet compliance regimes for the Statutory Funding Agreements. Officers indicated that there were seven agreements with industry owned companies. Project teams of three officers oversee each agreement in close consultation with the Food and Agriculture division.<sup>117</sup>

3.62 The Statutory Funding Agreements have been directly affected by the committee's inquiry into *Australian Wool Innovation - Expenditure of Funds under Statutory Funding Agreement*,<sup>118</sup> and a new template for compliance issues has been created.<sup>119</sup>

Following the publication of the inquiry's report—and indeed during the course of the inquiry and subsequently—we have gone to some lengths to work with the companies and reiterated our concern and the importance of the issue on a whole range of reporting and governance matters. I have to

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111 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 40-41

112 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 34-35

113 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 35-6

114 *AAA Rural financial Counselling Service*, <http://www.daff.gov.au/financialcounselling>

115 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 37-8

116 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 38-9

117 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 31

118 *Australian Wool Innovation - Expenditure of Funds under Statutory Funding Agreement*, [http://www.aph.gov.au/Senate/committee/rrat\\_ctte/completed\\_inquiries/2002-04/awi/index.htm](http://www.aph.gov.au/Senate/committee/rrat_ctte/completed_inquiries/2002-04/awi/index.htm)

119 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 31-2

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say that my observation, certainly in respect of some of them, is that relations have developed very positively in that we are consulted on a number of things that perhaps in the past we would not have been; the corporations test with us whether certain actions that they may be proposing to undertake would in our view be consistent with a statutory funding agreement or not. I think that is a fairly positive development, and I think in part it is as a result of the inquiry.<sup>120</sup>

3.63 While the committee continued to express concern that the auditing process remains open and accountable and that adequate funding is available to ensure proficiency, it welcomed the department's and funded organisation's actions stemming from the committee's inquiry.<sup>121</sup>

3.64 The Dairy Industry Service Reform Act was subject to discussion. The department informed the committee that the Dairy Act Compliance Report for 2003-04 is currently being considered by the minister. The department will provide on notice explanations for the delay in tabling the report.<sup>122</sup>

### **Fisheries and Forestry**

3.65 The committee asked about commercial fish stock management regimes to ensure long-term sustainability in stocks. The department outlined that research plans are a requirement of the regime. The management plans account for approximately 95 per cent of the value of commonwealth fisheries approved by the AFMA board. The plans have been assessed by the minister under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).<sup>123</sup>

3.66 Rebuilding strategies have been built into the management plans. These strategies are reflected in quota levels that are set and are adjusted during different periods. The majority of overfished stocks in the last 20 years were in South-East Australia. A new fishery management plan was implemented on 1 January 2005 for the area, and the total allowable catches and quotas have been reduced.<sup>124</sup> The committee acknowledges that the implementation of the strategies, as well as reviewing their effectiveness, is a complex assessment to make, and hence looks forward to receiving a review of the strategies on notice.<sup>125</sup>

3.67 The committee asked about the regimes' strategic research plans currently under review and due to be completed by 1 December 2005. The review is of all

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120 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 33

121 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 32-3

122 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 35-6

123 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 43

124 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 44

125 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 44-5

fisheries and is conducted by AFMA. Further, the data on the fishery acquisition plans draft has been developed and is due for release in August 2005.<sup>126</sup>

3.68 The committee asked about recent regulations that have been before parliament and if they are required because of the impact on endangered species. The department explained that;

Various approvals under the EPBC Act, whether they be exemptions from the act, from the wildlife trade provisions under the act, or whether they be wildlife trade operation approvals under the act, are now being issued for individual fisheries. Some of those are for five years, some for two years, some unconditional and some with conditions. I think all of those instruments are being tabled.<sup>127</sup>

3.69 The committee queried the effectiveness of the deterrence programs for illegal foreign fishing. The department noted, in the south, the work of the Australian vessel in joint operations with the French has been successful in deterrence of fishing for the Patagonian Toothfish. While in the north, it has been much more difficult to measure the level of deterrence as the same vessel might be sighted and counted repeatedly by the Coastwatch surveillance program. The number of sightings however, in comparison to the number of Indonesian fishing vessels reported to be in the Archipelago, is much smaller. This indicates 'a reasonable deterrent effect'.<sup>128</sup> However, the department acknowledges that 'these are anecdotal measures, but in an area where it is very difficult to get hard data we are seeing those things happening'.<sup>129</sup>

3.70 The committee asked further questions about illegal fishing in relation to convictions and exemptions under the EPBC Act. The department stated that up to May 20 this calendar year there had been 97 boats apprehended, with some 748 crew. 121 were charged and there were 165 charges. 156 charges resulted in convictions.<sup>130</sup> The department notes that these are merely short term measures to address the growing concern of illegal fishers from Indonesia. The department sees that the long-term solution rests with activities to assist the Indonesian and provincial governments to accept a greater role in controlling the activity.<sup>131</sup> The department relayed that two senior officials from the Indonesian fisheries agency would be visiting Australia in June 2005 under the second stage of the AusAID program. They will stay for approximately nine weeks to study AFMA's and state agencies' fishery systems.<sup>132</sup>

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126 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 47

127 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 51

128 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 47

129 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 48

130 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 48

131 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 56-7

132 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 57

3.71 During Additional Estimates the committee was informed by the department that rapid progress had been made on detention policy and facilities.<sup>133</sup> The committee received an update on this progress. The Berrimah detention facility falls under the responsibility of DIMIA. The matter has recently been referred to the parliamentary Public Works Committee and hence operation of the facility has been delayed.<sup>134</sup> The department explained that, due to limited space, the detention facility on Horn Island will be smaller than the Darwin facility and will be used as a transition facility until detainees are able to be transported to Darwin. The land for the facility has been surveyed and plans are currently being drawn for the facility.<sup>135</sup>

3.72 Discussion ensued about organised crime in Australia's fishing industry, with particular reference to abalone fishing. The ministerial council has recently commissioned some work from the Australian Institute of Criminology on crime in Australian fishing to target organised crime.<sup>136</sup> A new report has been published to improve compliance effectiveness.<sup>137</sup> It is the first report in a series of two. It is unlikely the second report will be made public, due to the nature of the sensitive material it will contain.<sup>138</sup>

3.73 The committee also discussed the following in relation to fisheries;

- Reviews to identify corporate legal risks<sup>139</sup>
- Endangered and vulnerable fish species<sup>140</sup>
- Torres Strait fisheries<sup>141</sup>
- Recreational Fishing Community Grants Program.<sup>142</sup>

3.74 The committee asked questions about the Tiwi islands logging. The department explained that there is no Commonwealth involvement through a Regional Forest Agreement and therefore it is a responsibility of the Northern Territory Government. The department outlined that the minor influence they have in the area is on export controls.<sup>143</sup>

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133 *RRAT Committee Additional Estimates 2005-06 Report*, pp. 29-30

134 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 59

135 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 60

136 *No. 297: Crime in the Australian fishing industry : key issues*, <http://www.aic.gov.au/publications/tandi2/tandi297.html>

137 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 57 and pp. 63-4

138 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 64

139 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 49

140 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, pp. 51-3

141 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 55

142 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, p. 56

143 *RRAT Committee Budget Estimates, Transcript of Evidence*, 26 May 2005, pp. 66-8

3.75 The Forestry Package for Tasmania was a subject of discussion during the Fisheries and Forestry division and during the Bureau of Rural Sciences evidence (see paragraph 3.57)

3.76 The committee also discussed the following in relation to forestry:

- Export of Australian woodchips<sup>144</sup>
- Water catchments<sup>145</sup>
- Forest Industrial Structural Adjustment Package<sup>146</sup>
- The Victorian data assistance strategy.<sup>147</sup>

### **Natural Resource Management**

3.77 The consideration of the Budget Estimates under the Natural Resource Management division focused on water and the impact of the drought. The committee questioned what was being done in response to recommendations in a report on managing risks to shared water resources. The following aspects were addressed:

- Ground water is considered the highest priority for the department, including taking into account the risk of bush fires and their effects on ground water.<sup>148</sup>
- Farm storage constitutes any man-made impoundments to store water. A completed survey of farm storage is currently under peer review.<sup>149</sup>
- Climate change was noted in the report as a long-term issue in need of a medium-term response. Research by CSIRO and the Bureau of Meteorology is underway. The commission will seek to join these two works together to avoid the same studies being duplicated.<sup>150</sup>

3.78 Funding for the National Action Plan for Salinity and Water Quality was also discussed. The major component of the plan is the salinity mapping across the Murray-Darling Basin being conducted by BRS (see paragraph 3.55). The committee heard that there were some non-regional aspects of the plan. \$5 million of funding will be contributed towards market based instruments which will be used to trial commercial approaches to natural resource management. Further, the committee heard

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144 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 69-70

145 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 71-3

146 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 73-4

147 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 74

148 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 77

149 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, pp. 77-8

150 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 78

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it has been more efficient in some cases to undertake research state-wide rather than by region.<sup>151</sup>

3.79 The committee was informed that the reduction of \$2 million in Landcare Australia appropriations was taken from inland care.<sup>152</sup> The water resources assessments and research grants are used to supplement activity on the water resource management policy. Further, it contributes to the Commonwealth's participation in a national body associated with irrigation and drainage.

It is all about encouraging improved water resources efficiency. The projects that are funded under that banner, when completed, are made publicly available and promulgated throughout the industry as an aid to improving management outcomes.<sup>153</sup>

The projects this year will focus on water pricing and irrigation efficiency. The decision on what projects will be undertaken next year is still being discussed.<sup>154</sup>

3.80 The committee also heard evidence on:

- Defeating the Weed Menace Program for 2004-05<sup>155</sup>
- Dams on the Meander and Macquarie rivers.<sup>156</sup>

**Senator the Hon. Bill Heffernan**  
**Chair**

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151 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 81

152 *Landcare Australia*, <http://www.landcareaustralia.com.au/>

153 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 83

154 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 83

155 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 75

156 RRAT Committee Budget Estimates, *Transcript of Evidence*, 26 May 2005, p. 83

