

Senate Rural Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2011

Agriculture, Fisheries and Forestry

Question: 38

Division/Agency: APD/AWI – Agricultural Productivity Division/Australian Wool Innovation

Topic: Staffing

Proof Hansard Page: 100 (24/05/2011)

Senator Nash asked:

Senator NASH: How many staff are employed domestically and, of the countries overseas, how many in each place?

Mr McCullough: I can take that on notice and give you the exact figures. Roughly, we have about 70 in Sydney and the rest are based overseas. Something like 70 are based overseas.

Senator NASH: The breakdown of that would be great. You were talking about the HRH launch. I gather that was a great success?

Mr McCullough: Yes.

Answer:

As at 14 June 2011, AWI had 122 staff globally. By country, staff numbers are:

| | | | | | |
|-----------|----|---------|---|-------------|---|
| Australia | 57 | India | 7 | USA | 2 |
| China | 14 | Germany | 4 | France | 1 |
| Japan | 11 | Korea | 2 | Netherlands | 1 |
| Italy | 9 | Spain | 2 | Taiwan | 1 |
| Hong Kong | 8 | UK | 2 | Turkey | 1 |

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ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2011

Agriculture, Fisheries and Forestry

Question: 39

Division/Agency: APD/AWI – Agricultural Productivity Division
Australian Wool Innovation

Topic: Mulesing clips

Proof Hansard Page: 102-103 (24/05/2011)

Senator Nash asked:

Senator NASH: I was just having a look through your website the other day, and obviously the mulesing clips are still up and still being promoted. If it is not going that well—and we can get back to that in a minute—is it advantageous to still have it on the website looking like the clips have proven successful? Is there a bit of a disconnect between what is there and what is actually happening on the ground?

Mr McCullough: We put \$7 million into the project, so it was a significant investment. We have a sense of how they are going—there is no doubt about that—and the sense is that the adoption, or sales, are not that good. But I will endeavour to get you an accurate figure on it rather than guess at it. Certainly they have worked okay with plainer breached animals, but for anything with even a modest amount of wrinkle they do not work so well. The biodegradable version of that is not available either.

Senator NASH: What are the reasons for the failure? Obviously you would be aware if their take-up has not been that great; why they are not working would be getting back to you at least anecdotally. What sorts of stories are coming back to you?

Mr Merriman: We have a problem here in that it is a commercial business. We have done the R&D and there are commercial rules about us talking about a commercial product. Stuart can get you all the information he wants, but our company wants a suit from the maker of the clips.

Senator NASH: So you know that the take-up is not great but you cannot tell me why not?

Mr Merriman: It is a commercial product out there and it is just between buyer and seller.

Senator NASH: I am a woolgrower myself. If I were to ring AWI and say, 'How are these clips going? Has anyone had any problems?' you would not tell me?

Mr Merriman: We could show you the research and we could put you on to the clip manufacturer.

Mr McCullough: We have certainly got some personnel in the company who we could put a woolgrower in touch with. There is a chap called Geoff Linden. He could talk to them about the body style of the sheep and what is required and what you should do and should not do. He could recommend contractors that can apply these things. We, of course, support the commercial partner here—

Senator NASH: I am just very interested that it is up on your website but you cannot give me any idea of how it is going.

Mr McCullough: We will try to get the sales figures for you, and I presume they will tell the story.

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Question: 39 (continued)

Senator NASH: But, having invested the money, wouldn't you want to know why, how and when it is not working given that the information is still here for people to go and see? Having invested all that money, wouldn't you want a bit of a measurement of how it is going?

Mr McCullough: We monitor these. If you ask me, they dwelt in the trial phase too long before they got to a commercial partner. I think we will get those figures and communicate them to the committee.

Senator NASH: That would be very useful. Thank you. Is that \$7 million the investment from AWI into the research for this from start to finish?

Mr McCullough: Yes.

Senator NASH: And when did you start on that?

Mr McCullough: 2004.

Senator NASH: I shall look forward to any information you can provide to the committee. That would be very, very useful. Thank you.

Answer:

AWI is unable to provide details of adoption rates as requested as this information is held by the commercial partner, Leader Products. However, Leader Products advises that uptake of the clips is lower than expected.

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Budget Estimates May 2011

Agriculture, Fisheries and Forestry

Question: 40

Division/Agency: APD/AWI – Agricultural Productivity Division/Australian Wool Innovation

Topic: On-farm and off-farm research projects

Proof Hansard Page: 105 (24/05/2011)

Senator Back asked:

Senator BACK: My final question in relation to this is very encouraging, I think—these sums of money being expended. What is the proportion of Australian research organisations that have been successful in your applications, roughly, percentagewise—is it three-quarters, all?

Mr McCullough: All the on-farm research portfolio is pretty much all Australian, so you can tick that off. It is \$9 million or \$16 million next year. I do not think we do any international projects in the on-farm research portfolio, to the best of my knowledge, but I will take that on notice and make sure that that is right. Let me take the post-farm research on notice, but I would say the majority would be with the supply chain overseas.

Senator BACK: Excellent. That concludes my questions, Chair, thank you.

Answer:

In 2011-12, 69 per cent of AWI's research budget (or \$16 million) will be spent in Australia. Thirty-one per cent (or \$8.5 million) will be spent overseas. Please refer to table 1 for more information.

Table 1: AWI Research Budget 2011-12

| | On-farm | Off-farm | Total | Total share % |
|------------------------|---------|----------|---------|---------------|
| Australian expenditure | \$16.0m | \$2.5m | \$18.5m | 69 |
| Overseas expenditure | 0 | \$8.5m | \$8.5m | 31 |