

Chapter 2

Agriculture, Fisheries and Forestry portfolio

Department of Agriculture, Fisheries and Forestry

2.1 This chapter contains the key issues discussed during the 2012-13 additional estimates hearings for the Agriculture, Fisheries and Forestry portfolio. A complete list of all the topics discussed, and relevant page numbers, can be found at appendix 3.

2.2 The committee heard evidence from the department and agencies on Monday, 11 February 2013. The hearing was conducted in the following order:

- Finance and Business Support, Government, Information Services, and People and Service Delivery
- Australian Bureau of Agricultural and Resource Economics and Sciences
- Climate Change
- Border Compliance, and Post Entry Quarantine Program
- Biosecurity—Plant Division
- Food
- Biosecurity—Policy Division
- Biosecurity—Animal Division
- Live Animal Exports Division
- Australian Pesticides and Veterinary Medicines Authority
- Meat and Livestock Australia
- Australian Livestock Export Corporation Limited
- Australian Fisheries Management Authority
- Sustainable Resource Management
- Australian Egg Corporation Limited
- Agricultural Productivity
- Trade and Market Access

2.3 The committee welcomed Mr Andrew Metcalfe AO as the new Secretary of the Department of Agriculture, Fisheries and Forestry and Director of Animal and Plant Quarantine, who officially commenced in these roles on 29 January 2013.

2.4 Mr Metcalfe made an opening statement and advised the committee that the department is currently undergoing a capability review being led by the Australian Public Service Commission. DAFF's structural changes are outlined in chapter one, paragraphs 1.8–1.11.

Finance and Business Support, Government, Information Services, and People and Service Delivery

2.5 The committee began proceedings by asking officials about the Scheme for Compensation for Detriment caused by Defective Administration (CDDA). Officers explained that CDDA claims cannot be dealt with until relevant legal avenues have been examined or exhausted. The committee was told that there is no set timeframe for dealing with claims and timing depends quite substantially on the interactions with the applicant.¹

2.6 The committee discussed the issue of the number of unscheduled absences taken by staff in 2011-12. The median number of unscheduled absences was 15.2 days, which ranked DAFF as the third highest agency in the *State of the Service Report 2011-12* regarding unscheduled absences. Officers explained that whilst 15.2 days was high in comparison to other large public service agencies, this result reflects a decrease from the previous year of 0.6 of a day.²

Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES)

2.7 The committee sought further information from Mr Paul Morris, ABARES' Executive Director, on the impact of the carbon tax on irrigators in the farming sector. Mr Morris explained that ABARES' work has focused on the following three main sectors of farming industry:

- broad acre farms;
- dairy farms; and
- vegetable farms.³

2.8 ABARES published a report in 2011 on the possible short-term effects of a carbon trading scheme on Australian agriculture. The committee heard that there were two elements to ABARES' research. Firstly, the direct impact of a price on carbon, such as electricity prices, and secondly, the indirect impact of a price on carbon, such as higher processing costs being passed back to the farmer.⁴

2.9 Mr Morris, told the committee that ABARES' research has found that the economic value of dairy farm production, with a \$23 a tonne carbon price in 2012-13, would result in a decline between 1.1 and 4.3 per cent, which is dependent on the proportion of the processing costs being passed back to the farmer instead of forward to the consumer.⁵

1 *Estimates Hansard*, 11 February 2013, p. 6.

2 *Estimates Hansard*, 11 February 2013, pp 10–11.

3 *Estimates Hansard*, 11 February 2013, p. 13.

4 *Estimates Hansard*, 11 February 2013, p. 13.

5 *Estimates Hansard*, 11 February 2013, p. 14.

2.10 The committee also heard that the average projected income for dairy farmers declined from \$149 000 in 2011-12 to \$92 000 in 2012-13. In terms of farm business profit, it is predicted that there will be an average reduction of \$69 000 in 2011-12 to -\$11 000 in 2012-13.⁶

2.11 Mr Morris told the committee that the impact of a carbon price on vegetable farms for 2012-13 ranges between negative 2.1 per cent and negative 0.7 per cent, depending on much of the processing costs are passed forward rather than back to the farmer.⁷

2.12 The committee inquired about wild dog management in Australia, as ABARES administers, on behalf of the department, the Australian Pest Animal Research Program. Mr Morris tabled a list of successful eradication and control projects and programs.⁸

Climate Change

2.13 The committee asked about the rejection of feral camel management methodology under the Carbon Farming Initiative. Officers told the committee that there has been some difficulty in establishing baselines and methodologies for calculating emissions from feral camels.⁹

2.14 The committee heard that the Commonwealth Scientific Industry Research Organisation (CSIRO) has been working with ten laboratories across Australia on the measurement of soil carbon. The CSIRO's work has been to determine whether the new infrared spectroscopy technology is a cost effective and accurate methodology for measuring soil carbon. CSIRO will report back in March 2013, once testing of the new technology is complete. Officials told the committee that the aim of the report is to assess whether the technology can be easily and consistently provided to commercial laboratories.¹⁰

2.15 The committee clarified a response regarding the forest contractors exit package, to a question on notice from Supplementary Budget Estimates 2012. The question was in relation to whether the sale of a business to a family member could continue to operate under the package. Ms Fran Freeman, First Assistant Secretary, told the committee that if the business entity was sold then it could not access native forest contracts. There have been three formal allegations of fraud have been reported to DAFF. Two of the three allegations have been investigated and no evidence of fraud was found to have occurred. The third allegation is currently under investigation.¹¹

6 *Estimates Hansard*, 11 February 2013, p. 14.

7 *Estimates Hansard*, 11 February 2013, p. 16.

8 *Estimates Hansard*, 11 February 2013, p. 18.

9 *Estimates Hansard*, 11 February 2013, p. 21.

10 *Estimates Hansard*, 11 February 2013, p. 23.

11 *Estimates Hansard*, 11 February 2013, p. 27.

Border Compliance and Post Entry Quarantine Program

2.16 In continuing its interest from previous estimates hearings, the committee sought an update on Operation Hayride and the cost recovery process. Officers informed the committee that targeted campaigns, such as Operation Hayride, are given a notional budget from revenue collected from fees over a period of time.¹²

2.17 The committee discussed efficiencies in relation to the Import Clearance Program. Officers told the committee that DAFF has an agreement with industry to maintain the level at approximately ten per cent however, this fluctuates based on activity.¹³

2.18 Mr Schaeffer, Chief Financial Officer, explained that there a number of initiatives under way within the department to identify efficiencies, which could affect the Import Clearance Program. Mr Tim Chapman, First Assistant Secretary, also told the committee that:

...we are trying to make our business more efficient. We are looking to reduce costs in areas where we get better value for what we do. One example would be, as you have asked in estimates before, that we are doing lower levels of intervention in areas where there is very little risk... That is a way that we can do one of two things: one is redirect the staff who are doing that to another area where we get a bigger bang for our buck; another one is where we reduce staff numbers and therefore costs. There are lower costs for industry in doing that. They are able to move goods through faster. They are no longer paying inspection fees. One of the things we have found in the changing of our focus in the last couple of years is, perhaps ironically, that in lowering our intervention levels we are also having an impact on our revenue because we are not performing some of the activities that generated fees that we did in the past.¹⁴

Biosecurity—Plant Division

2.19 The committee sought further information on when DAFF might engage the Eminent Scientist Group to undertake an expanded import risk assessment. Ms Vanessa Findlay, Chief Plant Protection Officer, told the committee that DAFF considers a range of factors, including whether the technical information is contentious and the importance of the import to domestic stakeholders. A standard risk assessment is conducted by DAFF when the technical information is not contentious and the level of importance is low.¹⁵

2.20 The committee sought further information on why the risk assessment for the unshi mandarin from Japan was conducted as a standard assessment despite the mandarins being grown in an area immediately adjacent to a citrus canker area.

12 *Estimates Hansard*, 11 February 2013, p. 36.

13 *Estimates Hansard*, 11 February 2013, p. 41.

14 *Estimates Hansard*, 11 February 2013, p. 41.

15 *Estimates Hansard*, 11 February 2013, p. 42.

Ms Findlay, told the committee that Japan has been undertaking surveillance and assessment for 40 years and they had never found citrus canker. Ms Finlay went on to explain that:

...given the level of confidence we had in the surveillance programs that Japan had in place, that technically we could not ban that trade from that area.¹⁶

2.21 The committee asked DAFF to explain why in the cost recovery impact statement horticulture sector fees and charges are based on an eight-hour day and 40-hour week, when the enterprise agreement stipulates a 37½ hours per week. Ms Kylie Calhoun, Assistant Secretary, told the committee that DAFF is aware of the contradiction and has not charged the daily and weekly rates instead they are charging at the quarter-hourly rate, not to disadvantage exporters.¹⁷

2.22 The committee asked officers for an update on the Fijian ginger import risk analysis. Ms Findlay told the committee that DAFF publicly released its final import risk analysis on 22 January 2013 and is in the preliminary stages of establishing an appropriate work plan with Fiji to implement the risk assessment.¹⁸

Food Division

2.23 The committee asked for an update in relation to the importation of New Zealand apples into Australia. Ms Louise van Meurs, Assistant Secretary, told the committee five consignments or approximately 57 tonnes of New Zealand apples were imported into Australia in 2012. DAFF officials in New Zealand inspected the apples nine times before the apples were exported to Australia.¹⁹

2.24 The committee sought clarification on the exportation of baby food from an Australian backyard into China. Mr Greg Read, First Assistant Secretary, told the committee that the baby food sent to China weighed less than the 10-kilo weight limit, which is subject to regulation under the *Export Control Act 1982*. Mr Read went on to state that in this case the individual was taking advantage of an opportunity to fill a niche in the market.²⁰

2.25 The committee sought further information on the following items:

- the integrity of the data collected by the National Residue Survey;
- reducing the regulatory burden through the labelling and ongoing use of agricultural and veterinary chemicals; and
- the testing of antimicrobial residues in locally farmed aquaculture.²¹

16 *Estimates Hansard*, 11 February 2013, p. 42.

17 *Estimates Hansard*, 11 February 2013, p. 43.

18 *Estimates Hansard*, 11 February 2013, p. 44.

19 *Estimates Hansard*, 11 February 2013, p. 46.

20 *Estimates Hansard*, 11 February 2013, p. 47.

21 *Estimates Hansard*, 11 February 2013, pp 49–52.

Biosecurity—Policy Division

2.26 The committee discussed the apparent flying fox problems in North Queensland. Ms Rona Mellor, Deputy Secretary, told the committee that the Minister for Agriculture, Fishery and Forestry, Senator the Hon Joe Ludwig announced \$3 million towards a research program to promote awareness amongst vets of the risks and the management of risks.²²

2.27 The committee also sought further information on the preparedness of the department for exotic diseases into Australia, specifically citrus greening disease. Ms Mellor, Deputy Secretary, explained that there is a citrus greening response plan, and response plans are generally developed by industry groups. Ms Findlay added that the citrus industry response plan will dictate and guide the industry through the first stages of an emergency response; DAFF also has an emergency plant pest response deed, which determines the roles and responsibilities of the Commonwealth government as well as the state and territory governments.²³

Biosecurity—Animal Division

2.28 The committee asked the department about the Commonwealth's role in relation to Bovine Johne's disease (BJD) in Queensland. Dr Schipp, Chief Veterinary Officer, told the committee that the Commonwealth's role relates to export certification, as any animals that are from properties identified as under suspicion or investigation for BJD are prevented from accessing the export market.²⁴

2.29 The committee asked the Minister for Agriculture, Fishery and Forestry, Senator the Hon Joe Ludwig, if some form of government assistance will be provided to beef producers who are suffering from the combined effect of the live cattle export ban and BJD. The Minister told the committee that there has been no approach by the Queensland Government for BJD assistance and as it is a state based issue normally it is dealt with by the states.²⁵

2.30 The committee sought an update on the quarantine fees for horse owners. Ms Mellor, explained that a new schedule of fees commenced on 1 February 2013. Ms Karen Schneider, First Assistant Secretary, added that the increase in quarantine fees for horse owners was due to an under-recovery in fees since November 2009. The aim of the increase is to bring the fees into line with current costs and recover the debt that has accumulated since 2009.²⁶

2.31 The committee asked whether the imports of horses are treated equally. Officers told the committee that all horses are treated equally, as the cost to maintain the service for the horse is the same no matter what sort of horse it is. Ms Mellor

22 *Estimates Hansard*, 11 February 2013, p. 53.

23 *Estimates Hansard*, 11 February 2013, p. 53.

24 *Estimates Hansard*, 11 February 2013, p. 55.

25 *Estimates Hansard*, 11 February 2013, p. 55.

26 *Estimates Hansard*, 11 February 2013, p. 56.

explained that race horses now go through the quarantine approved premises in Werribee, Victoria which has racing training facilities and is run by Racing Victoria. All other horses are held in the Post-Entry Quarantine Facility at Eastern Creek, Sydney.²⁷

2.32 Officers told the committee of the current horse import risk analysis review. A draft import risk analysis was released on 22 January 2013 for public consultation. Dr Andrew Cupit, Assistant Secretary, explained that there are a number of proposed changes regarding diseases including equine influenza, contagious equine metritis, equine viral arteritis, and pyroplasmosis.²⁸

2.33 The committee sought further information on the following topics:

- the provision of a training track for horses at the Post Entry Quarantine Facility at Mickleham, Victoria; and
- the conversion of model codes of practice into animal welfare standards and guidelines.²⁹

Live Animal Export Division

2.34 The committee sought an explanation in relation to the length of time taken to investigate allegations of animal cruelty at the Cibinong Abattoir in Java, Indonesia. Mr Phillip Glyde, Deputy Secretary, explained that:

In this particular case there was an allegation from Animals Australia that was given to us that was based on some information from an informant. We were obliged to pursue that and to ask further questions to get the detail from both Animals Australia and from that informant. Those things do take time in order to do them to a standard that is going to be acceptable as we go through and implement legislation. In this particular case, the informant was either unable or unwilling to provide that information. We gave them several opportunities and indeed Animals Australia several opportunities to provide more information.³⁰

2.35 The committee was encouraged to hear Mr Metcalfe's idea for the department and industry to come together to address concerns regarding excessive regulation and establish either a code of understanding or clearly publicised guidelines, which sets out expectations of the department and industry in order to improve transparency.³¹

2.36 The committee sought information from the department regarding the five complaints that are currently under investigation in relation to allegations of animal cruelty. Ms Rebecca Irwin, First Assistant Secretary, told the committee that in

27 *Estimates Hansard*, 11 February 2013, p. 56.

28 *Estimates Hansard*, 11 February 2013, p. 58.

29 *Estimates Hansard*, 11 February 2013, pp 58-60.

30 *Estimates Hansard*, 11 February 2013, p. 61.

31 *Estimates Hansard*, 11 February 2013, pp 61-62.

relation to live animal export investigations a number of divisions are involved in providing expert advice to assist in the completion of the investigation.³²

2.37 The committee asked for an update on the proposed export of live cattle from North Queensland to the Solomon Islands. Dr Cupit, Assistant Secretary, told the committee that there is an agreement in place between the Australian and Solomon Island governments. DAFF is not involved in the next step, which is for commercial parties in consultation with importers in the Solomon Islands to establish a secure supply chain. The department will become reinvolved to review the commercial parties' application regarding the Exporter Supplier Chain Assurance System (ESCAS).³³

Australian Pesticides and Veterinary Medicines Authority (APVMA)

2.38 The committee discussed the environmental assessment charges in relation to the APVMA's service level agreements with the Department of Sustainability, Water, Population and Communities (SEWPaC) and the Department of Health and Ageing. Mr Neville Matthew, Program Manager, told the committee that there are two components to the APVMA's service agreements:

- for assessment modules a fixed fee is negotiated with the agencies on an annual basis; and
- for ad hoc requests, including chemical reviews, professional advice is structured on an hourly rate and agreed through a work order process.³⁴

2.39 The committee discussed the National Scheme for Assessment Registration and Control Use of Agricultural and Veterinary Chemicals. Mr Matt Koval, Acting First Assistant Secretary, advised the committee that the reform process to harmonise the laws across all jurisdictions went to the Council of Australian Governments (COAG) in December 2012. COAG noted the 'progress to date' and agreed that:

...all jurisdictions will direct their regulatory and referral agencies to eliminate duplication and to avoid sequential assessments and delayed approval processes and also to utilise common information requirements for both assessments and approvals.³⁵

2.40 The committee heard in relation to COAG's decision the next process is for state and territory primary industries and agricultural ministers to agree to the APVMA's package of reforms at the Standing Council on Primary Industries meeting in May 2013.³⁶

2.41 The committee sought further information on the following topics:

32 *Estimates Hansard*, 11 February 2013, p. 63.

33 *Estimates Hansard*, 11 February 2013, p. 64.

34 *Estimates Hansard*, 11 February 2013, p. 66.

35 COAG Communique, 7 December 2012, p. 4.

36 *Estimates Hansard*, 11 February 2013, p. 68.

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- the fenthion issue in Western Australia;
 - who has responsibility for importing chemicals for use on livestock; and
 - the goat industry's access to animal health chemicals.³⁷

Meat and Livestock Australia (MLA) and Australian Livestock Export Corporation Limited (LiveCorp)

2.42 The committee discussed whether consultants employed by MLA had alerted them to any breaches of ESCAS. Mr Scott Hansen, Managing Director, reiterated to the committee that MLA's consultants are neither policeman nor auditors of supply chains on the ESCAS program and they are there at the invite of commercial supply chains.³⁸

2.43 The committee also heard from Dr Peter Barnard, General Manager Trade and Economic Services, in relation to consultants alerting MLA to breaches of the ESCAS system:

I emphasise that I cannot think of a case when we are ever in an absolute position to rule on an ESCAS breach. As Mr Hansen said, that is not our role—it is the regulator's role.³⁹

2.44 The committee asked why LiveCorp's website appears to be quite out of date. Mr Raoul Nieper, Chairman, acknowledged that the website is out of date but it is currently in the process of being updated. Mr Nieper went on to state that:

LiveCorp is a very small organisation, as you would appreciate—not like our cousins MLA. We have only four permanent staff and we do appreciate with the workload that we have at present in LiveCorp we do not have a great deal of time for some of the niceties of updating websites.⁴⁰

2.45 The committee sought further information from LiveCorp on the following items:

- the review of export standards;
- the strategic plan; and
- the annual operating plan.⁴¹

Australian Fisheries Management Authority (AFMA)

2.46 The committee discussed the publications; *The Status of Australian Fish stocks reports* and *ABARES Fishery status reports*, which were both released in December 2012. Dr Nick Rayns, Executive Manager, stated that:

37 *Estimates Hansard*, 11 February 2013, pp 69–70.

38 *Estimates Hansard*, 11 February 2013, p. 71.

39 *Estimates Hansard*, 11 February 2013, p. 72.

40 *Estimates Hansard*, 11 February 2013, p. 72.

41 *Estimates Hansard*, 11 February 2013, pp 72–74.

Over the last few months AFMA has been doing some media to promote the fact that we do have sustainable fisheries and that seafood consumers should be confident in their purchases of Australian seafood.⁴²

2.47 The committee asked AFMA to explain the current fishing situation on Norfolk Island. Dr Rayns told the committee that Norfolk Island has a domestic fishing industry and to some extent a charter fishing industry.⁴³

2.48 The committee sought further information from AFMA on why Norfolk Island does not have a commercial fishing industry. Dr Rayns explained that fishing rights for the Eastern Tuna and Billfish Fishery Management Plan in the waters around Norfolk Island were granted many years ago. Officers informed the committee that Norfolk Island could buy the tradeable statutory rights to fish the Eastern Tuna and the Billfish.⁴⁴

2.49 The committee asked for an update on the Seafish application to utilise its vessel as a freezer/storage trans-shipment vessel. Dr James Findlay, Chief Executive Officer, told the committee that in early January 2013 an application was received and following receipt of the application, AFMA commenced a consultation process seeking advice from a variety of stakeholders, including the Management Advisory Committee and Resource Assessment Group. A public consultation process has also commenced and AFMA has written directly to key commercial and recreation fishing groups and conservation non-government entities seeking their input. The committee heard that submissions are currently being considered and the matter was due to go before the AFMA Commission at the end of February 2013.⁴⁵

2.50 The committee inquired about whether the level of consultation that AFMA has taken, in relation to Seafish's application, was usual. Dr Findlay told the committee that:

It is very usual for us to go to management advisory committees and the resource assessment groups on a question like this. It is also not unusual or us to approach key stakeholder groups. The unusual step here is the public consultation phase. That is a new phase for AFMA, and really reflects the fact that we saw a large reaction around the activities of this boat previously and it would be silly for us not to seek those comments upfront.⁴⁶

2.51 The committee asked AFMA what issues it will be considering when evaluating Seafish's application. Dr Findlay explained that the current application raises two issues:

One is that this is a quota-managed fishery and we need to ensure the integrity of the quota management arrangements, which means we have a

42 *Estimates Hansard*, 11 February 2013, p. 74.

43 *Estimates Hansard*, 11 February 2013, p. 76.

44 *Estimates Hansard*, 11 February 2013, p. 76.

45 *Estimates Hansard*, 11 February 2013, p. 81.

46 *Estimates Hansard*, 11 February 2013, p. 81.

robust way of measuring the amount of fish that have been caught and by which vessel. That is how we attribute its quota. This may make that process more difficult but we also have ways to get around that. The other question for us is whether the actual process of transferring fish involves greater risk or otherwise to non-target species.⁴⁷

2.52 The committee sought further information from AFMA on the following topics:

- the fish stocks of the Coral Sea fishery;
- Gulf of Carpentaria fisheries;
- the northern prawn fishery;
- an update on the bioregional planning regime in relation the joint authority fishery;
- changes to fees and charges;
- an update on the Borthwick Review; and
- the issue of gillnetting in relation to sea lion and dolphin deaths.⁴⁸

Sustainable Resource Management

2.53 The committee asked for an update on the Caring for Our Country program, and discussed whether a prospectus would be released for the Sustainable Agriculture stream, which would contain the guidelines for grant applications. Mr Ian Thompson, First Assistant Secretary told the committee that there has been no decision yet to release a prospectus.⁴⁹

2.54 The committee also discussed the funding available through the Caring for Our Country program to support regional bodies. Mr Thompson explained that regional bodies would make one application to access both the environmental and agricultural funding streams. Any funding would be provided in proportion to the amount of money available in each stream.⁵⁰

2.55 In continuing its interest from previous estimates hearings, the committee asked for an update on the number of feral camels culled. Ms Michelle Lauder, Assistant Secretary, told the committee that over four years DAFF has removed 116 000 camels.⁵¹

2.56 The committee also discussed whether the department was aware of statements made by the camel industry in relation to exporting the unmet demand for

47 *Estimates Hansard*, 11 February 2013, p. 81.

48 *Estimates Hansard*, 11 February 2013, pp 77–92.

49 *Estimates Hansard*, 11 February 2013, p. 91.

50 *Estimates Hansard*, 11 February 2013, p. 91.

51 *Estimates Hansard*, 11 February 2013, p. 95.

camel meat. Mr Thompson explained that there are two issues in relation to the exportation of camel meat:

...access to some markets as well would need to be sorted through, but that is not to say it is not possible; it is just that we do not have arrangements for exporting camel meat to every country in the world—including to some of those that might like it. The camels are widely dispersed and a long way from abattoirs and it is a very expensive business to bring them in to commercially, cost-effectively slaughter them and box them for export.⁵²

2.57 The committee asked officers to provide an update on the feral pig management program. Officers told the committee that feral pigs have largely been the responsibility of landholders, local government and the states to manage.⁵³

2.58 The committee asked in relation to the Weed Control and National Weed Management Strategy whether funding has supported an improved knowledge of herbicide management and alternative management strategies. Mr Thompson told the committee that the department does not have any management of how effective the research has been in terms of application. Mr Thompson went on to state that the beneficiaries of the research are land care groups, national standards bodies, and local and state governments as they apply the research to their action on weeds program.⁵⁴

2.59 The committee sought further information on the following topics:

- the proposed system for counting Southern Bluefin Tuna;
- budget funding for Reef Rescue;
- the sinking of illegal entry vessels in the waters off Christmas Island and spilling toxic water into the only known spawning ground of Southern Bluefin Tuna; and
- amending the *Primary Industries Energy Research Development Act 1989* to allow prawn producers and other seafood sectors to raise levies to establish a marketing campaign to promote Australia's seafood.⁵⁵

Australian Egg Corporation Limited (AECL)

2.60 The committee discussed why the AECL decided to withdraw its application for a Certification Trade Mark covering an enhanced Quality Assurance program for the Australian egg industry that included a free-range egg definition of 20 000 birds per hectare. Mr James Kellaway, Managing Director, told the committee that the AECL is reviewing the 171 standards that were raised in the initial assessment published by the Australian Competition and Consumer Commission. The AECL intend on resubmitting their application; however there has been no timeframe set as

52 *Estimates Hansard*, 11 February 2013, p. 95.

53 *Estimates Hansard*, 11 February 2013, p. 97.

54 *Estimates Hansard*, 11 February 2013, p. 98.

55 *Estimates Hansard*, 11 February 2013, pp 98–102.

they work through the issues raised in the initial assessment and convene a meeting of the Hen Welfare Forum.⁵⁶

2.61 The committee also sought further information on the following items:

- results from the 2010 survey of egg producers;
- stocking numbers of free range egg producers;
- level of support provided to egg producers;
- Egg Corp Assured; and
- the current model code of practice for rotating chickens producing free range eggs.⁵⁷

Agricultural Productivity

2.62 The committee asked the department to provide an update on the composition of the International Agricultural Cooperation program (IAC) for citrus. Mr Koval explained that:

...the process for establishing the IAC is under Horticulture Australia Limited. They go through an independent selection process, as far as I am aware, and they call for nominations. You have to have an understanding to a certain extent of the industry and, naturally, citrus growers have that knowledge.⁵⁸

2.63 The committee sought further information from the department in relation to recent trends in grain production, including factors affecting grain production and factors affecting the viability of farming properties in the broad acre farming sector. Mr Koval told the committee that productivity growth is declining not just in Australia but around the world and remarked on the importance of understanding the work that ABARES has conducted in relation to productivity and identifying what causes slow productivity growth.⁵⁹

2.64 The committee discussed the issue of snail control on the Yorke Peninsula, South Australia as it poses a serious problem for all cereal growers in 2013. Mr Koval tabled a written brief on the issue of snail control on the Yorke Peninsula and added that the Grain Research and Development Corporation in collaboration with the department is about to commence a survey over the course of the year to get a better understanding of the breadth of the infestation.⁶⁰

2.65 The committee sought further information on the following topics:

56 *Estimates Hansard*, 11 February 2013, p. 102.

57 *Estimates Hansard*, 11 February 2013, pp 102-105.

58 *Estimates Hansard*, 11 February 2013, p. 105.

59 *Estimates Hansard*, 11 February 2013, p. 106.

60 *Estimates Hansard*, 11 February 2013, p. 107.

- locusts and the concerns expressed by the Australian Plague Locust Commission;
- white grain research funding;
- the expansion of irrigated agriculture in northern Australia; and
- the Regional Food Producers Innovation and Productivity Program.⁶¹

Trade and Market Access

2.66 The committee asked the department to advise how many memorandums of understanding (MoU) have been negotiated by DAFF with trading partners to open markets for the export of livestock. Ms Jo Evans, First Assistant Secretary, told the committee that since 2004, DAFF has signed nine MoUs with countries predominately in the Middle East and Africa. The department is currently negotiating MoUs with Iran, Iraq, Lebanon, Morocco and Syria.⁶²

2.67 The committee sought further information on the priority market for the export of livestock. Ms Evans explained that:

...the No. 1 priority market that we have been advised of the industry side is Iran.⁶³

2.68 Ms Evans went on to explain that DAFF has been negotiating an MoU with Iran since 2005 and a number of drafts have been exchanged, however there are a number of issues that are under review from the Australian government's perspective.⁶⁴

2.69 The committee sought more information on the following topics:

- the report that Australian sheep were being sold to unaccredited livestock markets in Kuwait;
- Indian tariffs of up to 100 per cent on horticultural produce coming out of Australia;
- the number of consignments of Australian beef sitting on the wharf in Jakarta; and
- why Australia has not launched a World Trade Organisation challenge on Indonesian import restrictions.⁶⁵

61 *Estimates Hansard*, 11 February 2013, pp 107–114.

62 *Estimates Hansard*, 11 February 2013, p. 118.

63 *Estimates Hansard*, 11 February 2013, p. 118.

64 *Estimates Hansard*, 11 February 2013, p. 118.

65 *Estimates Hansard*, 11 February 2013, pp 118–122.