



Australian Government

Department of Agriculture, Fisheries and Forestry

Ms Roxanne Le Guen
Secretary
Rural and Regional Affairs and Transport Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Ms Le Guen

In the course of reviewing comments made by officers of the Department of Agriculture, Fisheries and Forestry during the Budget Estimates hearings conducted by the Senate Rural and Regional Affairs and Transport Legislation Committee on 24 and 25 May 2006, it has been determined that several of the answers provided were not accurate in relation to the specific questions asked.

I would like to note that these errors occurred through not having precise details to hand at the hearing and attempting to answer the Committee's questions, in good faith, from memory. We have since had the opportunity to review the answers provided at the hearings and the following pages present our corrections and/or further information for the consideration of the Committee.

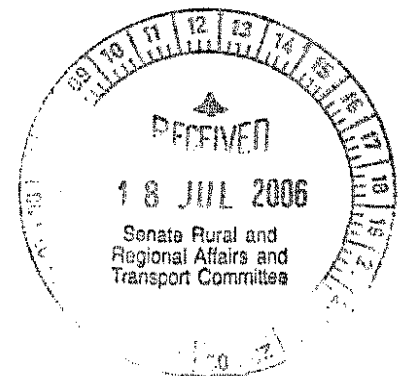
In all cases, where incorrect or incomplete information was supplied at the hearings we sincerely apologise for any misunderstanding that may have arisen as a result. It would be appreciated if these corrections could be brought to the attention of the members of the Committee.

If you have any queries on this matter please contact Ms Nicola Hinder, General Manager, Parliamentary and Media on 6272 5590.

Yours sincerely


Don Banfield
Deputy Secretary

18 July 2006



RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: Food and Agriculture (Grains Research and Development Corporation)
Factual Corrections

In answering Senator Nash's question (Hansard page 80; 24 May 2006):

Senator NASH—Just roughly, on average per year, how much of the grower levy would go to those private entities we were mentioning earlier?

Mr Reading answered:

Mr Reading—None goes into Longreach which is a fully private entity. Into DARWA, which is a completely public entity, we are putting about \$1.3 million. [rest of paragraph follows].

Correction:

Mr Reading wishes to advise the committee that to correct a factual error, the statement should read: 'None goes into Longreach which is a fully private entity. Into DAFWA, which is a completely public entity, we are putting about \$1.8 million.' [rest of paragraph follows].

Mr Reading apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator Nash's question (Hansard page 80; 24 May 2006):

Senator NASH—If you could and you would not mind, that would be good. I have had it raised with me that there is some concern that the grower levy going to GRDC is going to fund private enterprise research and development for development of seed that growers then have to buy back. It is not an area I am very familiar with so I just thought I would take the opportunity to get some clarification of whether or not that is a valid concern.

Mr Enright answered:

Mr Enright—The issue is breeding seed as such. That is the output of these breeding programs, obviously. In none of them do we hold more than 30 or 40 per cent equity where we have made GRDC investments. [paragraph continues].

Correction:

Mr Enright wishes to advise the committee that to correct a factual error, the statement should read: 'The issue is breeding seed as such. That is the output of these breeding programs, obviously. In none of them do we hold more than 50 percent equity where we have made GRDC investments.' [paragraph continues].

Mr Enright apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator O'Brien's question (Hansard page 82; 24 May 2006):

Senator O'BRIEN—How many people are currently employed by GRDC?

Mr Enright and Mr Reading answered:

Mr Enright—I believe 46 is the figure.

Mr Reading—It is a bit higher than that; it is about 49.

Senator O'BRIEN—Quick growth?

Mr Reading—No, our establishment number is about 49. At any stage you have vacancies, depending on staff turnover et cetera, but our establishment level is about 49.

Correction:

Mr Enright and Mr Reading wish to advise the committee that to correct a factual error, the statements should read:

Mr Enright—I believe 46 is the figure.

Mr Reading—It is a bit higher than that; it is 52.

Senator O'BRIEN—Quick growth?

Mr Reading—No, our establishment number is 52. At any stage you have vacancies, depending on staff turnover et cetera, but our establishment level is 52.

Mr Enright and Mr Enright apologise if this has in any way been misleading to the committee as this was not their intention.

In answering Senator O'Brien's question (Hansard page 86; 24 May 2006):

Senator O'Brien— How would you describe it as an entity having a board if it is not incorporated? What sort of entity is it?

Mr Enright answered:

Mr Enright—Single Vision is an interim board but the members have contracts with GRDC. So it is an unincorporated venture.

Correction:

Mr Enright wishes to advise the committee that a more correct description is that Single Vision is a series of agreements with consultants as described in the transcript immediately following this question and answer. It is not a separate legal entity.

Mr Enright apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator O'Brien's question (Hansard page 88; 24 May 2006):

Senator O'Brien— It apparently still is, or it was as at the beginning of May this year.

Mr Enright answered:

Mr Enright—I think what happened prior to that was, once we set up the interim arrangement, that interim board had to decide on a name for itself, and by negotiation they actually bought the name from the Grains Council.

Correction:

Mr Enright wishes to advise the committee that for completeness of the answer, the statement should read: 'I think what happened prior to that was, once we set up the interim arrangement, the interim board had to decide on a name for itself and attempt to gain access to the existing website www.singlevision.com.au, and by negotiation they had to buy the name 'Single Vision Grains Australia' and the company Single Vision Grains Australia Limited from the Grains Council.'

Mr Enright apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator O'Brien's question (Hansard page 90; 24 May 2006):

Senator O'Brien— You are potentially putting money into an entity called Single Vision Grains Australia, which you say has certain directors. There is a registered entity with the same name which has certain directors in common.

Mr Enright answered:

Mr Enright—I think what appears to have happened, and I have not confirmed this, is that they had negotiated to use the name – I know about that – because they wanted to maintain the name even though they were not a corporate structure. To do that they may collectively or on an individual basis have decided to take over the company and that is why the directors are naming it, so it could be sitting there for when they need it in the future. I can assure that there is no money going into any entity of that structure from GRDC.

Correction:

Mr Enright wishes to advise the committee that to correct a factual error due to lack of complete information on 24 May 2006, the statement should read: 'I think what appears to have happened, and I have not confirmed this, is that they had negotiated to use the name – I know about that – because they wanted to maintain the name even though they were not a corporate structure. To do that the interim board approached the Grains Council for using the name 'Single Vision Grains Australia' and for gaining access to the website www.singlevision.com.au . The Grains Council

Australia required that the interim board pay a total of \$14,500, comprising \$10,500 for the website, \$1,600 for the establishment costs of Single Vision Grains Australia Ltd, and \$2,400 for the administration costs of Single Vision Grains Australia Ltd. GST payments of \$1,450 brought the total payment to the Grains Council of Australia to \$15,950. In gaining access to the name Single Vision Grains Australia and the website, certain members of the interim board also acquired the company. In this process it was necessary to appoint directors and the directors appointed were: Murray Rogers, Ian Mckinnon and Selwyn Snell. As the Single Vision interim board was not a separate legal entity they could not open a bank account in the name of Single Vision Grains Australia. Hence, a bank account had to be opened in the name of Single Vision Grains Australia Limited. As GRDC does not provide a direct debit facility, a one-off payment was made in February 2006 for an amount of \$5000 to the entity Single Vision Grains Australia Limited to enable the interim board to meet incidental expenses from their Brisbane office. This has not been replenished.'

Mr Enright apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator O'Brien's question (Hansard page 91; 24 May 2006):

Senator O'Brien— Senator O'BRIEN—Were these funds for Single Vision sourced in part from grower levies and in part from matching funding from the Commonwealth?

Mr Enright replied:

Mr Enright—Those funds went into a separate account, and they were managed quite separately. They did not go into GCA. We had a separate accounting arrangement to manage that.

Correction:

Mr Enright wishes to advise the committee that the last statement should read: 'Those funds went into a separate account, and they were managed quite separately. They did not go into GCA general funds. We required GCA to use a separate accounting arrangement to manage that.'

Mr Enright apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator O'Brien's question (Hansard page 104; 24 May 2006):

Senator O'Brien— Your mission is to invest in innovation. You research and develop for the greatest benefit of stakeholders, the grain growers and the Australian government. Your investment plan this year is all about research. Key areas identified include conservation, farming, soils, cropping, machinery and weed management. I am interested in how Single Vision fits within the GRDC research philosophy.

Mr Enright answered:

Mr Enright—The other point that should be highlighted is that we have been involved in this study for 21/2 years. It was not a small study. It was a very wide ranging and quite expensive study. Our objective in moving this thing forward was to try to harness some of the issues that came out of that industry and make sure we took them forward. At the end of the day, it was GCA who approached us on this matter and asked us to do this. Let us not forget that. What we were doing was trying to

put in an arrangement that suited taking this forward in a legal way. What GCA were proposing prior to Grains Week 2005 was illegal. I pointed that out to them, and that plan disappeared off their web site and we have never seen it again. I did not prescribe this, but I made it clear where we could operate and where we could not in terms of the PIERD Act. We left it at that. We went to Grains Week and what we have now is what they asked for, and we have put the governance around it to take it forward. That is why it is there.

Correction:

Mr Enright wishes to advise the committee that the words 'inconsistent with the existing legal framework' to replace the word 'illegal' as it more correctly reflects the situation.

Mr Enright apologises if this has in any way been misleading to the committee as this was not his intention.

Factual Corrections

In answering Senator Siewert's question (Hansard page 83, 25 May 2006):

Senator Siewert:

Senator SIEWERT—Is there going to be some consideration around what I know as the salinity investment framework—but other people do not—in terms of targeted investment? You will be aware, and I

know Mr Smalley is aware, of the concepts—salinity investment and targeted investment.

Mr Aldred—Are you referring to SIF3?

Senator SIEWERT—Yes.

Mr Aldred answered:

Mr Aldred—Mr Smith and I have had some discussions with Dave Pannell, and you might be aware that it is being piloted or workshopped through a couple of the regions in Victoria.

Mr Aldred wishes to advise the Committee that he is now informed that the pilot is being undertaken in one region in Victoria and the other is in Western Australia. The website of the Cooperative Research Centre for Plant-Based Management of Dryland Salinity (<http://cyllene.uwa.edu.au/~dpannell/sif3creprop.pdf>) records that *'this pilot programme will be conducted in partnership with two Catchment Management Organisations: North-Central Catchment Management Authority in Victoria (NCCMA), and South Coast Regional Investment Planning Team (SCRIPT) in WA.'*

Mr Aldred apologises if this has in any way been misleading to the committee as this was not his intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

**Division: Natural Resource Management
Factual Corrections**

In answering Senator McEwen's question (Hansard page 80; 25 May 2006):

Senator McEwen – Who did the evaluations? Did you say it was the National Heritage Trust?

Mr Aldred answered: The evaluations were undertaken by a range of consultants under the guidance of steering committees that comprised Commonwealth officers and representatives from state governments, regional governments and, in some cases, bodies such as the Natural Heritage Trust Advisory Committee.

Correction:

The evaluations were undertaken by a range of consultants under the guidance of steering committees that comprised Commonwealth officers and representatives from state governments, regional bodies and, in some cases, bodies such as the Natural Heritage Trust Advisory Committee.

Mr Aldred wishes to advise the committee that 'regional businesses' rather than regional governments is technically correct.

Mr Aldred apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator Stephens' question (Hansard page 77; 25 May 2006):

Senator Stephens – You anticipated projects from New South Wales and Victoria and you have one project from Victoria, I presume formally submitted. Are other projects that you are anticipating coming forward?

Mr Aldred – Yes. Mr Smalley can give you details of the four projects.

Senator Stephens – If you could.

Mr Smalley answered: Four projects were approved in November 2004 by the Murray-Darling Basin Ministerial Council, and those four are: a project to recover 145 gigalitres of water in the Goulburn Murray; a project to recover 24 gigalitres of water from decommissioning a structure called Lake Mokoan – that is also in Victoria; a project to recover nine gigalitres of water in New South Wales from innovative market based approaches; and a project to recover 62 litres in New South Wales from a range of infrastructure type measures improving the efficiency of a range of irrigation areas and wetland structures.

Correction:

Four projects were approved in November 2004 by the Murray-Darling Basin Ministerial Council, and those four are: a project to recover 145 gigalitres of water in the Goulburn Murray; a project to recover 24 gigalitres of water from decommissioning a structure called Lake Mokoan – that is also in Victoria; a project to recover nine gigalitres of water in New South Wales from innovative market based approaches; and a project to recover 62 gigalitres in New South Wales from a range of infrastructure type measures improving the efficiency of a range of irrigation areas and wetland structures.

Mr Smalley wishes to advise the committee that this particular initiative is for 62 ‘gigalitres’ of water rather than the 62 litres noted in Hansard records.

Mr Smalley apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator McEwen's question (Hansard page 78; 25 May 2006)

Senator McEwen – Can you give us an assessment of the first three years of the Living Murray initiative now that it has three years under its belt?

Mr Smalley answered: Clearly, we have had four projects that got us 240 gigalitres out of the target that we were anticipating of 500 gigalitres, so in approved projects we are almost halfway there.

Correction:

Clearly, we have had four projects that got us 240 gigalitres out of the target that we were anticipating of up to 500 gigalitres, so in approved projects we are almost halfway there.

Mr Smalley wishes to advise the committee that ‘up to 500 gigalitres’ rather than 500 gigalitres should be noted in Hansard documents, as this is the amount of water to be recovered as part of the Living Murray initiative.

Mr Smalley apologises if this has in any way been misleading to the committee as this was not his intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: Food and Agriculture

Factual Corrections

In answering Senator O'Brien question (Hansard page 28; 24 May 2006):

Senator O'Brien - Does the department have any role in assessing applications for community projects to ensure they are consistent with regional plans?

Mr Souness answered: No. The industry oversight group has that role.

Correction:

Mr Souness wishes to advise the committee that he wishes to add further detail to his answer to ensure the committee is fully advised of the regional and community projects assessment process.

His response should read *'The department assesses applications against the regional and community projects guidelines including how each project is consistent with priorities in the relevant regional plan. The department's assessment is provided to the industry oversight group in the department's role as industry oversight group secretariat. The department's assessment is also provided to the minister. The industry oversight group assesses applications with consideration for each regional advisory group's recommendations and the department's assessment of the application against the guidelines.'*

Mr Souness apologises if this has in any way been misleading to the committee as this was not his intention.

In answering Senator O'Brien question (Hansard page 109; 24 May 2006):

Senator O'Brien - I take it you have not been involved in any way in the work being done by Single Vision, funded by GRDC?

Mr Phillips answered: No.

Correction:

Mr Phillips – Mr Phillips wishes to advise the committee that he interpreted Senator O'Brien's question to be asking whether the Department was actively engaged in the work being undertaken by the CIE through working on the project or providing funding. The Department is doing neither of these things.

Officers of the Department (Messers Banfield, Mortimer and Phillips) did, however, meet with representatives of the CIE on 19 April 2004 at their request. At that meeting the CIE outlined its terms of reference and sought background information on the application of current wheat marketing arrangements.

This question followed a number of questions to the GRDC about the funding of SVGA, the work SVGA has commissioned on wheat marketing arrangements and the consultancy being undertaken for SVGA by the Centre for International Economics (CIE).

Mr Phillips apologises if this has in any way been misleading to the committee as this was not his intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: Wheat Export Authority
Factual Corrections

In answering Senator O'Brien's question (Hansard page 64; 24 May 2006):

Senator O'Brien—When did Ms Duck leave the Wheat Export Authority?

Mr Taylor answered: I would need to check to be absolutely specific, but I believe it was around about July/August 2005.

Correction:

Mr Taylor wishes to advise the committee that Ms Duck left the Wheat Export Authority in October 2005.

Mr Taylor apologises if this has in any way been misleading to the committee as this was not his intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

**Division: Executive
Factual Corrections**

In answering Senator O'Brien question (Hansard page 40; 25 May 2006):

Senator O'Brien— I am interested to know whether there are any plans for restructuring arrangements supported by, administered by or involving the federal government for the egg industry, given some of the difficulties that the industry has been in.?

Mr Banfield— Rationalisation for that decision also by state and Commonwealth ministers was in large part because the decision had been taken definitively back in I think 2000, so there had been six years effectively where producers could and should have been moving to introduce the new cage sizes. So that was certainly a consideration of ministers.

Correction:

Mr Banfield wishes to advise the committee that there was almost eight years where producers could, and should, have been moving to introduce the new cage sizes.

Mr Banfield apologises if this has in any way been misleading to the committee as this was not his intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: AQIS
Factual Corrections

In answering Senator O'Brien's question (Hansard page 30; 25 May 2006):

Senator OBrien—Is it correct to say that procedures were put in place that required Biosecurity Australia to be contacted in relation to all permit applications where import conditions did not exist?

Dr Clegg answered:

Dr Clegg— That is what we were doing in 2003. That was part of the review of our work practices.

Correction:

Dr Clegg wishes to advise the committee that the year quoted should have been 2004, not 2003.

Dr Clegg apologises if this has in any way been misleading to the committee as this was not her intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: AQIS
Factual Corrections

In answering Senator O'Brien's question (Hansard page 33; 25 May 2006):

Senator OBrien—The non-edible dead bits?

Dr Clegg answered:

Dr Clegg—Yes. It is human tissue, cells, bodies, vaccines and medicines. All sorts of things come through.

Correction:

Dr Clegg wishes to advise the committee that the term "biologicals" also includes edible products derived from animals and plants.

Dr Clegg apologises if this has in any way been misleading to the committee as this was not her intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

**Division: AQIS
Factual Corrections**

In answering Senator O'Brien's question (Hansard page 17; 24 May 2006):

Senator O'Brien—Would they all have the one file?

Dr Clegg answered:

Dr Clegg—They are all filed on one file.

Correctin:

Dr Clegg wishes to advise the committee that the applications are filed on two files of the same name which are sequential.

Dr Clegg apologises if this has in any way been misleading to the committee as this was not her intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: AQIS
Factual Corrections

In answering Senator O'Brien's question (Hansard page 32; 25 May 2006):

Senator OBrien—Do you review those that you thought might have been in the more unusual categories?

Dr Clegg answered:

Dr Clegg—We had a list of applications when they came in. We went through the list looking and asking “Anything here? Can anyone remember anything odd?” We were trying to find other examples where we could have done something. ‘Were there any more?’ - that was a big question for us.

Correction:

Dr Clegg wishes to advise the committee that the answer given was incorrect. The Biologicals Unit reviewed the permits database, not the application spreadsheet, for all valid permits issued for worms for bait. The applications database does not contain the information in a form which would reliably detect the type of commodity for which a permit was sought. The Biologicals Unit staff considered the possibility of other permits being issued in broad commodity groups, but did not use the applications spreadsheet for this activity for the same reason.

Dr Clegg apologises if this has in any way been misleading to the committee as this was not her intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: AQIS
Factual Corrections

In answering Senator O'Brien's question (Hansard page 16; 24 May 2006):

Senator OBrien—Are all the records available?

Mr Yuile answered

Mr Yuile—Senator I might invite Dr Narelle Clegg, who is in charge of the relevant program, to answer that. As a general rule, I would expect that, where there are discussions on specific issues relevant to a permit— whether or not it is germane to approval— then I would expect there would be some record kept.

Dr Clegg— In this case there were not records of conversations before the application was actually lodged. Marnic were corresponding with AQIS between November 2002 and March 2003 when they lodged their import permit. AQIS holds no paper records of those conversations. We have retrieved the odd email from our system that went backwards and forwards. Marnic themselves provided us at the time that we were saying to them 'Your permit will be revoked and we are going to give you a new permit with gamma irradiation.' They then supplied all copies of correspondence that they had with our officers in that period, so we have those records on file courtesy of Marnic. That instituted a change in our own procedures; applicants are no longer able to ring up our officers to seek information without being informed that they need to lodge an application at that time so that we keep all of the records of the conversations on a file.

Correction:

Dr Clegg wishes to advise the committee that in the second sentence of the answer, Dr Clegg should have ended it with the additional word 'application'. In the third sentence, the word 'held' should have been used instead of 'holds'; Dr Clegg's following sentences explain that AQIS does hold records of some record of conversations with Marnic from November 2002 to March 2003 which were supplied by Marnic at the time their import permit was amended and reissued with gamma irradiation as an import condition in November 2004. In the last sentence, Dr Clegg states that a change was instituted in procedures at the time the permit was revoked. This is incorrect; Dr Clegg should have said that the requirement for applicants to be advised that an import permit was required prior to advice being provided was reiterated to members of the Biologicals Unit in November 2004.

Dr Clegg apologises if this has in any way been misleading to the committee as this was not her intention.

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Budget Estimates Hearings Wednesday 24 and Thursday 25 May 2006

DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

Division: Biosecurity Australia
Factual Corrections

In answering Senator Ferris' question (Hansard page 9; 25 May 2006) – Risk Analysis on New Zealand apple imports:

Senator FERRIS asked — Do you have any idea when that final draft is likely to be released? In other words, how long do you expect the stakeholder consultation to take? Can you tell me whether South Australia is regarded as a major stakeholder?

Correction:

Dr Roberts—

Dr Roberts from Biosecurity Australia in answer to a question about whether South Australia is a major stakeholder indicated that both the South Australian Government and the South Australian industry have provided a submission to Biosecurity Australia on the Draft Risk Analysis for New Zealand Apples. This is not correct. No submission was received from the South Australian apple industry.

Dr Roberts apologises if this has in any way been misleading to the committee as this was not his intention.
