

Division 15: Primary Industries and Regional Development — Services 6 and 7, Agriculture and Food, \$157 434 000 —

Mr D.A.E. Scaife, Chair.

Mr D.A. Templeman, Minister for Tourism representing the Minister for Agriculture and Food.

Mr R. Addis, Director General.

Ms A. Taylor, Chief Financial Officer.

Mr C. Binning, Deputy Director General, Primary Industries Development.

Ms H. Brayford, Deputy Director General, Sustainability and Biosecurity.

Mr L. O'Connell, Acting Deputy Director General, Industry and Economic Development.

Mr A. Lyon, Managing Director, Capability and Performance.

Ms M. Carbon, Executive Director, Biosecurity.

Mr R. Prince, Director, Horticulture.

Mr G. Hamley, Chief of Staff, Minister for Tourism.

Mr C. Thurley, Chief of Staff, Minister for Agriculture and Food.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. It is the intention of the chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item, program or amount in the current division. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by close of business Friday, 1 October 2021. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Roe.

Mr P.J. RUNDLE: I refer to page 221 of budget paper No 2, volume 1, and spending changes at the bottom of the page. Can the minister elaborate on the grants process for the agriculture climate resilience fund; the eligibility requirements for that fund; and who is responsible for it within the minister's office or the Department of Primary Industries and Regional Development?

Mr D.A. TEMPLEMAN: I thank the member for Roe for his question. The new agriculture climate resilient fund is a \$15 million fund established to assist Western Australian farmers manage the serious threat of climate change as the state's climate continues to heat up and dry out. The fund will provide opportunities for Western Australia to leverage funding for agricultural research and technology projects. It will focus on improving long-term climate resilience for agricultural industries and regional communities. It will enable Western Australia to develop and implement its own tailored solutions to climate and agricultural issues specific to the local conditions and practices.

The member has asked about the administration of the \$15 million fund and the application process specifically. I will ask Mr Binning, a deputy director general, to answer that aspect of the question.

Mr C. Binning: The administration of the fund sits within my area of responsibility. A cross-agency task force has been established. We are in the design phase of the program. An event was held at Muresk that pulled together farming and interested stakeholders from across the state, and a program is currently being finalised to fulfil the election commitment.

Mr P.J. RUNDLE: It is very—I will not say airy-fairy—difficult to quantify parts of this package and pinpoint what parts of it our farmers or people in the regional areas can actually apply for. Does the minister have an example of some of the projects within that fund under which someone could apply for a grant?

Mr D.A. TEMPLEMAN: As Mr Binning has highlighted, this is a very important election commitment. It demonstrates the government's commitment to addressing the issue of climate change in a genuine way. The

important agricultural industry will, like a range of other industries, face this challenge of climate change going forward. This government has appointed a minister responsible for addressing the climate change issue more broadly because for each sector, particularly the agricultural sector, this is a real issue. As Mr Binning highlighted, this is an election commitment. The fund will be focused on resilience and it will work with farmers and producers on how the sector will respond to the challenge of climate change. It is a \$15 million program. I understand that the program is currently being designed. Matters related to the funding guidelines and access will be developed as part of the delivery of this election commitment.

The member asked for an example. An early initiative flowing from one of the forums held back in June was a series of free soil systems masterclasses to help farming businesses become more resilient, profitable and sustainable while capturing carbon farming opportunities. The masterclasses featured experts in soil health and carbon farming fields who discussed the science that underpins sustainable low carbon and biological farming systems. The first of the masterclasses was held in Northampton in August this year. There are sessions in Beacon and Salmon Gums. I think Salmon Gums is in the member's electorate.

[7.10 pm]

Mr P.J. RUNDLE: That is right.

Mr D.A. TEMPLEMAN: They will be held later this week. Some initial initiatives are being trialled or delivered, to give an example, but, of course, the design of the program is ongoing and being finalised so that we can deliver this election commitment and work strongly with the sector.

Mr P.J. RUNDLE: I refer to “Animal Welfare Package—Small Commitments” on page 221. What is the grants process and what processes are in place to prevent duplication?

Mr D.A. TEMPLEMAN: As the member has alluded to, animal welfare remains an important government consideration and, obviously, animal welfare within the context of the industry. The specific program the member highlighted, which is titled the animal welfare grant program, will provide \$2 million over four years to improve the welfare of companion animals and rescued wildlife through the provision of grants. It is also focused on low-cost animal health and veterinary services. Under this program, individual small grants of up to \$10 000 and large GST-free grants of up to \$50 000 will be available to eligible organisations. It is my advice that applications for the first round of grant funding will open shortly and information on the application process will be made available on the department's website. Funding can be sought for a variety of project types, including free or low-cost veterinary services, including companion animal desexing, service systems infrastructure equipment that improves the efficiency and effectiveness of animal rescue, rehabilitation and rehoming of companion animals, and service systems infrastructure equipment that is focused on improving the rehabilitation of displaced and injured wildlife, delivered by not-for-profit organisations in Western Australia. Again, this is a demonstration of the government's genuine commitment to progress positive animal welfare outcomes into the future. This grant program is \$2 million over four years.

Mr P.J. RUNDLE: If someone wants to build a new set of sheep yards to improve their animal welfare practices, can any private entity apply or is it just not-for-profits that can apply for this funding?

Mr D.A. TEMPLEMAN: This particular program targets companion animals, not livestock.

Mr R.S. LOVE: Is the package to target companion animals in any way linked to the impending puppy farming legislation? Is that part of that rescue package for dogs et cetera?

Mr D.A. TEMPLEMAN: It is relevant in terms of the wider package of enhanced animal welfare. The puppy farming proposal is specifically focused on puppy farming practices, and the aspiration to prevent that from happening or puppy farming continuing. But this is a mechanism within the government's broader animal welfare focus.

Mr R.S. LOVE: The initial response to the question was that the package would involve some grants for animal rescue. Is that only for domestic animals or is that available for wildlife et cetera?

Mr D.A. TEMPLEMAN: Eligible organisations may include animal shelters, wildlife carers, rehabilitation centres, companion animal foster care and rescue networks, veterinary clinics, universities, and local governments that might be undertaking low-cost desexing, microchipping or veterinary care programs. Those include wildlife considerations, but, of course, the companion animal focus is one of the key focuses of that program.

Mr R.S. LOVE: I refer to the election commitment “Backing North Wanneroo Agriculture” under “Spending Changes” on page 221. A total of \$750 000 has been allocated—\$500 000 this year. What will that deliver?

Mr D.A. TEMPLEMAN: The City of Wanneroo has a substantial agricultural sector, with more than 100 horticultural growers. It is a very valuable source of fresh fruit and vegetables for the Perth market in particular. It includes poultry farming and egg production as well as nurseries that supply turf, cut flowers, and plants to retailers and the landscape gardening sector. It is an important contributor to the local Wanneroo economy, as well as to the broader economy. Rainfall levels in the state's south west, including Perth, have significantly declined in the last 30 years.

That has enhanced competition for limited groundwater, meaning it is becoming an increasingly important issue for Wanneroo growers. The sum of \$600 000 has been approved for the water efficiency infrastructure, technology and soil amendment grants program—these are all part of that program—and \$150 000 to support the City of Wanneroo’s local planning processes to maintain and protect agriculture in north Wanneroo, consistent with the North Wanneroo Agriculture and Water Taskforce’s recommendations. This is also an example of the government fulfilling its election commitment to support north Wanneroo agriculture. It is an important consideration, given the issues that face that agricultural area.

Mr R.S. LOVE: When the minister said that the largest part of that allocation will go towards more efficient water infrastructure, given the scale of some of the operations in that area, it is not a very large amount of money for that entire region. Does the minister think that will actually be effective in addressing what is a very serious water situation in that area due to the over-allocation of the Gngangara mound?

[7.20 pm]

Mr D.A. TEMPLEMAN: As I said, I am advised that the North Wanneroo Agriculture and Water Taskforce made a series of recommendations, and the grants program that sits within this strategy was a direct result of the recommendations of that task force. As we know, the water issues that have faced and continue to face the growers’ area are compounded by climate change impacts. We know that rainfall has decreased and reliance on groundwater continues to be problematic because there are issues with the groundwater. These grants and targeted commitments are influenced by the recommendations of the task force. Consultation with growers has been an important part of the process.

Mr P.J. RUNDLE: I refer to the table “Spending Changes” at page 221 and the heading “Election Commitments”. One of the line items under that heading at page 222 is “Small Commitments”, which has a figure of \$13.379 million. Can the minister clarify what these small commitments are?

Mr D.A. TEMPLEMAN: Small commitments shows a figure of \$2.644 million in 2020–21 and then a figure of \$13 379 million in 2021–22. On 10 May 2021, cabinet endorsed the Expenditure Review Committee’s recommendations on the agency allocation of funding of the small grants program. That program approved 510 small grants to various regions in Western Australia. I will go through them very quickly. There were nine grants to the Gascoyne, totalling \$633 000; 54 grants to the goldfields–Esperance region, totalling \$1 354 500; 41 grants to the great southern, totalling just over \$1.3 million; 45 grants to the Kimberley, totalling nearly a million; 26 grants to the midwest, totalling \$1.2 million; 88 grants to the Peel region, a very important region, totalling \$2.3 million; 86 grants to the Pilbara, totalling nearly \$1.2 million; 105 grants to the south west, totalling just over \$4 million; 41 grants to the wheatbelt, totalling \$2.2 million; and 15 metro grants, totalling \$744 000. As at 16 September, last week, 406 of those 510 grants have been executed, with \$7.1 million paid to recipients; and five of the projects have been completed. That is the breakdown, if you like, of those small grants, and it looks as though every region has done pretty well.

Mr P.J. RUNDLE: From that breakdown, it sounds as though they were distributed through the development commissions. Did all those various applications have business cases?

Mr D.A. TEMPLEMAN: My understanding is that grants under \$200 000 are subject to a funding agreement and then for anything above that figure a more complex business case was required.

Mr P.J. RUNDLE: I refer again to the table “Spending Changes” and the heading on page 222, “New Initiatives”. I want to ask a question on the line item “Carbon Farming and Land Restoration Program”, which is about halfway down the page, just under “COVID-19 Response”. I refer to the expression-of-interest process that is underway. Can the minister tell me how the co-benefits will be assessed and how activities that are excluded from funding will be monitored and audited?

Mr D.A. TEMPLEMAN: Yes. I am very happy to ask Mr Binning to respond to that question from the member.

Mr C. Binning: The land restoration fund has a documented set of criteria for each benefit and they range between Aboriginal engagement, salinity mitigation, biodiversity conservation, farm activity and carbon capture. Projects are assessed against those defined criteria by technical experts. They are then referred to a global panel that looks at their overall value and assesses the net benefits relative to the cost of the carbon capture. Projects are also evaluated against their overarching feasibility and practicality and the ability to secure the outcomes in the long term. They are then ranked and recommended to the minister for funding. Essentially, three streams are available. One stream provides funding for up-front works, with the value of the grant to be repaid in ACCUs—Australian carbon credit units—as they are accumulated. The second stream seeks soil carbon projects in lower rainfall areas. The final stream is for more innovative projects for which methodology does not currently exist.

Mr P.J. RUNDLE: Is the minister confident that we have processes in place to measure the results of a program like this from start to finish? It is a very hard one to quantify, quite frankly. I guess the question is: what processes have been put in place to measure carbon capture benefits et cetera?

Mr D.A. TEMPLEMAN: I am happy for Mr Binning to respond.

Mr C. Binning: In relation to carbon capture, the projects must use an established methodology that is recognised by the Clean Energy Regulator, which is the commonwealth body that oversees these things. Those standards are really quite rigorous and involve a commitment to ongoing monitoring. The credits are essentially dependent on that monitoring occurring. In addition, the projects that are citing other benefits that I mentioned earlier will have an ongoing monitoring regime proposed as part of the expression-of-interest process.

Mr P.J. RUNDLE: With the imminent shutdown of the forest harvesting industry in the south west, is this project targeted at that area at all? Further, there appears to be a significant drop-off in funding in the forward estimates. It is a two-part question, if you like.

Mr D.A. TEMPLEMAN: The answer to the first part of the question is that I am advised no; that is not relevant to the old-growth forest decision recently announced by the government. I do need to highlight that this particular program is part of a suite of measures that support the Western Australian government's climate policy, which this government takes very seriously. In many respects, because of the lack of leadership nationally in the climate change debate, Western Australia, as demonstrated by Mr Binning's answer, has a range of programs, including this one, that are very rigorous and well referenced to standards. I am confident that this will be an important program as part of a suite of climate change-related responses by the government as part of its climate change policy.

[7.30 pm]

Mr R.S. LOVE: In the item the member for Roe referred to, the carbon farming and land restoration program, there appears to be about \$8.5 million across the forward estimates along with what has already been expended, yet the third paragraph under "Significant Issues Impacting the Agency" on page 223 refers to a \$15 million carbon farming and land restoration program. The member for Roe pointed out that the expenditure seems to drop off through the forward estimates. Is there more to this program further forward? Where is the other \$6 million or so?

Mr D.A. TEMPLEMAN: I am happy for Mr Binning to respond.

Mr C. Binning: I am advised that the remaining funding will sit on the balance sheet of the Rural Business Development Corporation. The reason is that that is the value that is anticipated to be generated in carbon credit units. They are marketable. The principle behind the scheme is that a landowner applies and they get funding up-front to undertake the work. But then as the carbon credits are accumulated, they are repaid to the Rural Business Development Corporation, which holds them and sells them for the benefit of the state or holds them as an asset of the state. Funding falls off in the forward estimates simply because the initial phase of the program is exhausted over the forward estimates. This is a new program. We will learn an enormous amount through the delivery of the program. It will be evaluated and the government will consider its successes.

Mr R.S. LOVE: That would imply that the carbon credits are held by the state, not by the landowner, if they are returning that money to the corporation.

Mr C. Binning: I have just been corrected by our chief financial officer that they will be held on DPIRD's balance sheet initially. The funding will be recouped in part to government through the provision of Australian carbon credit units. Depending on the nature of the project, it is likely to generate carbon credits that are in excess of the initial funding that was provided. As a result, the carbon benefits will be shared between the state, which has provided the up-front funding, and the landowner, who will generate carbon credits over and above. The numbers seen in the estimates reflect our first estimate of that balance of funding between those carbon credits that will be held on our balance sheet or pay for benefits from the land managers. In the process of identifying the projects, we will find the reality of that division.

Mr R.S. LOVE: My understanding is that there was a similarly named program in Queensland that this had been modelled on, but I am not so sure that that is the same process of retention of the carbon credits by the state. Can Mr Binning comment on whether this is a model that is followed in other states and has been successful?

Mr C. Binning: The member is quite correct that the experience with the Queensland fund was drawn upon in the design of this program. I do not have with me today the detail of the arrangement through which those credits are held. If the member would like it, I would have to follow that up.

Mr R.S. LOVE: In the model that exists there—correct me if I am wrong—there is a co-payment for both the actual carbon credits and environmental improvements. The rationale is that small-scale carbon projects are almost impossible to get off the ground because of the complexity of the registration process et cetera, which is the service the department is providing, but now that I have learnt how the department is setting this up, I am unsure just how successful this will be. Will the department monitor the uptake and perhaps be willing to reassess the retention of carbon rights by the state into the future, or at least the mix it is using? As a farmer, what is described there does not

keep me awake at night with excitement. Is there a process whereby this will be assessed in terms of uptake and perhaps reassessed in terms of the conditions, if the uptake is quite small?

Mr D.A. TEMPLEMAN: The program is new. Obviously, the delivery and implementation of the program will also be guided by uptake and ongoing evaluation of the program's effectiveness, and that will help to shape the program into the future. It is an important new initiative, effectively. As I said earlier, it is part of a suite of programs, projects and initiatives focused on addressing the climate change challenge through our Western Australian climate policy.

Mr R.S. LOVE: The third paragraph—the same significant issues paragraph—refers to the carbon resilience fund, which my colleague raised earlier. Is the climate resilience fund purely a grant round or an assistance round for outside agencies, farmers et cetera to use, or does the department consider that that is a fund that it might also tap into in terms of research and innovation in the space of climate resilience?

Mr D.A. TEMPLEMAN: The agriculture climate resilience fund and the carbon farming and land restoration program are both \$15 million commitments that are focused on supporting the primary industries in responding to the climate change challenge. The department is absolutely focused on working with farmers and producers and in the natural resource management sectors to meet the challenges that we face with climate change going forward. It is an important collaboration and partnership that the government has committed substantial funding to in both of these programs. It is a demonstration of the government's commitment to working with the agriculture sector in the role it needs to play, and will play, and how it responds to the climate change challenge. I am confident, and I know the minister who I am representing here tonight recognises clearly, that the industries that her portfolios cover will play a critical role in the overall response of the state to the climate change challenge, which I think most people recognise is a real challenge to our economy, our lifestyle and, indeed, our existence into the future.

[7.40 pm]

Mr R.S. LOVE: I have a further question on the carbon farming and land restoration program. What methodologies are acceptable to that program? Is any methodology acceptable to the federal government or through ACCUs, or is there some specific program?

Mr D.A. TEMPLEMAN: I am happy for Mr Binning to respond.

Mr C. Binning: Under the first stream of programs, both soil program and vegetation carbon projects would need to utilise a methodology that is recognised by the Clean Energy Regulator. Under the second funding stream, innovative projects that point to new methods and new ways of catching carbon would be recognised. In those cases, ACCUs would not accumulate but a more rigorous monitoring and verification process would be put in place, with the anticipation that successful projects would inform future methodologies.

Mr R.S. LOVE: In effect, there is some level of research and capacity built into the program to enable new methodologies to eventually be adopted. Is Mr Binning saying that some payments would be made on the basis of some forecast of the sequestration of carbon and some bespoke method of measurement which, over time, the department would hope would then be accepted by the regulator?

Mr D.A. TEMPLEMAN: I am happy for Mr Binning to respond.

Mr C. Binning: Under the second stream, our focus is to encourage innovation and new insight but in partnership with land managers through real on-ground works. The principle applies that a project proposes something innovative, a methodology for verifying the carbon captured is proposed and that is then tracked and monitored over the life of the project, with an emphasis on the monitoring, the research learnings and also the insights for the development of new methodologies.

Mr R.S. LOVE: I have one further question on this same paragraph, going back to the resilience fund. Could the minister perhaps outline some examples of what might be expected to be funded in that area? I am at a bit of a loss to understand the difference between the two. Perhaps the minister could give some examples of what we are talking about.

Mr D.A. TEMPLEMAN: I am happy for Mr Binning to respond.

Mr C. Binning: A key priority of the fund will be to explore the potential of Western Australian soils to store carbon. This issue is hotly contested and favoured throughout the scientific community.

Mr R.S. LOVE: To clarify, is that the Western Australian agriculture climate resilience fund?

Mr C. Binning: Yes. There will be initial work, as has already been outlined, through the soil masterclasses, which explore different ways in which farmers are seeking to secure and sequester carbon in the soil profile. Further work will involve research data in field testing around the potential of Western Australian soils to capture soil carbon.

The other thing that the fund will do is provide opportunities for leverage with federal government funding, including through the national drought fund.

Mr P.J. RUNDLE: I want to ask a question about the line item “Enhancing Biosecurity and Emergency Response” on page 222. A little further up the page is the line item “Biosecurity Incidents and Emergency Response”, which was allocated nearly \$12 million last year. That has now disappeared. Does this new line item replace the original one?

Mr D.A. TEMPLEMAN: Obviously, our WA biosecurity system is critical in terms of maintaining and growing the state’s prosperity, given that the state’s \$11 billion agriculture and fisheries industries and its natural resources underpin important industries. WA is currently struggling to address increasing biosecurity threats to some of its assets. The 2018 *Opinion on ministerial notification: DPIRD capability review* showed that its biosecurity operations were being placed under further stress. Total funding of \$15.1 million was approved over the next four years to implement phase 1 of the project. I understand that over the next four years, this commitment of \$15.1 million will increase our capability and capacity in emergency preparedness for biosecurity threats. It will also assist in boosting our early detection surveillance capacity, which will then enable us to respond to biosecurity incidents and incursions. The COVID-19 pandemic has demonstrated the impact that biosecurity incursions can have on industries and communities, and also underpins the importance of early detection and rapid response to pest and disease incursions.

Mr P.J. RUNDLE: I understand that 22 new FTEs are proposed. How many of those will be regionally based and in what locations?

Mr D.A. TEMPLEMAN: I am advised that the funding will support 22 FTEs. Their role will be to increase the department’s emergency preparedness for future responses to biosecurity incidents. That will include responding to incidents and emergencies and developing testing and response plans to known significant threats. The allocation of those FTEs is ultimately for the determination of the director general and the department. I am happy for Mr Addis, the director general, to add further to my answer.

Mr R. Addis: Biosecurity is one of our functions that is more regionally deployed on average. Although we have not yet defined exactly where these 22 new FTEs will be based, I expect that trend to continue. Obviously, the surveillance stuff is materially regionally based. That is all yet to be defined.

I might make a comment on the importance of the new resources. As a department, we have struggled with the increasing incidence of biosecurity responses in recent years. It has gone from being every now and again to being constantly in response mode, and sometimes having multiple responses in train at any one time. Part of this new resource and these new FTEs gives us a dedicated response capacity so we do not have to dip into other functions to respond all the time. It is a pretty important step forward for us. We need to make sure that we make it a winner.

Mr P.J. RUNDLE: Will the positions be focused solely on biosecurity or will some animal welfare duties be blended in there?

[7.50 pm]

Mr D.A. TEMPLEMAN: I am advised that it is all biosecurity-focused.

Mr P.J. RUNDLE: Okay, thank you. Can the minister confirm that there has been no reduction in the ordinary recurrent budget allocation for biosecurity, obviously net of this \$15.1 million over the forward estimates? Are there any other changes?

Mr D.A. TEMPLEMAN: The commitment, which includes the FTE commitment, continues into the forward estimates and effectively means more bodies on the ground, doing the important work associated with protecting our assets in a biosecurity context. I was interested to see the swift and effective responses and efforts to eradicate the Queensland fruit fly, which of course had a direct cost-saving benefit for the industry. The department made efforts in 2020 to focus on up to six biosecurity incidents including the Queensland fruit fly. That alone has saved the state’s horticultural industry an estimated \$38 million annually in lost production and market access. Mr Addis, the minister and the government have taken the issue of biosecurity very, very seriously and have resourced it in this budget. Efforts to respond to biosecurity challenges like the Queensland fruit fly demonstrate how important it is and what it can do to mitigate losses in various industries—in the case of fruit fly, the particular produce that is susceptible to that pest.

Mr P.J. RUNDLE: Is the minister comfortable with the protocols that are in place to coordinate with the federal government for any biosecurity emergency responses or the like that are required, in which both state and federal jurisdictions need to work together?

Mr D.A. TEMPLEMAN: I will make an initial comment, then I will ask Mr Addis to respond. Obviously, the state will always seek to work in collaboration with the federal authorities, including the federal government, in respect of biosecurity issues. Clearly, a strong policy position is important. In many ways, Western Australia is fortunate, which I think has been demonstrated in the COVID experience, in that our natural barriers with the eastern seaboard have worked in our favour, and they can also work in our favour in terms of other biosecurity issues.

Minister MacTiernan fiercely defends the state's position, but also advocates strongly for collaboration with the federal government and federal authorities with regard to biosecurity.

Ultimately, we can see a range of examples around the world in which nations are not as advantaged as we are, being an island nation. I have always been interested in the whole issue around bees, for example. I think the issues affecting bees are fascinating, and their importance to the agricultural sector. I will ask Mr Addis to add to my meandering comments on this matter.

Mr R. Addis: Thank you, minister. In recent times I suppose the relationship between the commonwealth and state biosecurity regimes has gained some focus, particularly through national incursions like the khapra beetle, which we have been grappling with for the last 12 months or so. As the minister alluded to, Minister MacTiernan has pushed very hard for biosecurity to be top of the priority list nationally with her interstate and commonwealth colleagues, and I think we have seen that being picked up; it is now one of the top four issues on the agriculture ministers' agenda. We have also seen some additional investment and effort from the federal government in terms of its biosecurity capabilities, which we think is well and truly welcome and somewhat overdue. We are working very closely with the commonwealth on these issues. As I said, it has come into sharper focus recently. It might be worth getting a bit more specific commentary from Mia Carbon, who is the executive director of biosecurity.

Mr D.A. TEMPLEMAN: I am happy to ask Ms Carbon to make some additional comments regarding this matter.

Ms M. Carbon: There are well-established mechanisms in place for managing biosecurity risks across impacted governments and industry, including cost-sharing arrangements that we regularly exercise with the commonwealth government to manage biosecurity risks in Western Australia.

Mr R.S. LOVE: I think perhaps what the member for Roe was referring to was some incidents where there were problems with negotiating our way out of a biosecurity situation. We had potato psyllid some years ago and there was no way of getting our product sold, as I recall. There was a bit of a breakdown there between the commonwealth and state agencies, at that stage. Has that been addressed?

Mr D.A. TEMPLEMAN: I am happy for Mr Addis to respond.

Mr R. Addis: Yes, the tomato potato psyllid incident started, I think, in 2016, from memory. That clearly was a challenge for WA and other states. It took some significant working through, and I think as a result of that we certainly reflected upon our approach to our biosecurity function, and particularly to the way in which we worked with our jurisdictional colleagues on those sorts of things. I think relations are, in that regard, significantly better than they perhaps were at that time, and we are very conscious that we have to maintain that. Again, Mia Carbon has been involved from the get-go with that process, so it might be something she has further comment on.

Ms M. Carbon: Domestic trade is not determined by the commonwealth government; it is determined by the relevant jurisdictional government. It certainly is the case that when a new quarantine pest or disease is detected in one jurisdiction, other jurisdictions have the ability to put up border controls to protect themselves from the incursion of that pest or disease. Those border controls need to be scientifically valid and supported by evidence of absence of the pest or disease in that jurisdiction, so it is quite common that early on in a response, there are quite strict controls, and they reduce with time as the combat jurisdiction deals with that pest and as more surveillance is done in other jurisdictions. Western Australia also has the ability to exercise that to protect our industries from biosecurity incursions that occur elsewhere in the country. But absolutely, we work nationally to try to minimise the impacts of those incursions on both industry and consumers, wherever possible.

Mr M. HUGHES: I refer to page 222. I would like the minister to outline the application of the funding for growth in partnerships for wine and oats. How will this funding help drive the sectors?

[8.00 pm]

Mr D.A. TEMPLEMAN: It is an important initiative. The budget provides \$13.1 million to drive the growth of two priority sectors—that is, wine and oats—in partnership with industry. The wine industry export growth partnership is a \$6 million project to boost wine exports and create local jobs. This budget will deliver over \$3 million to fund the election commitment to establish the partnership, with industry matching the funding to deliver the five-year program. The program is aimed at driving export competitiveness to increase the value of Western Australian wine exports. It is focused on driving that to \$117 million annually by 2025. This represents a 50 per cent increase, so it is an important aspiration. In the first phase of the project, Wines of Western Australia will commission a study to identify market and consumer trends to determine the best way to position WA's premium wines in international markets. It will also conduct workshops and extension activities to encourage more Western Australian wine producers to consider export opportunities. The partnership will also boost the research capacity in terms of WA wine quality and provenance.

The \$10.1 million processed oats industry growth partnership is focused on increasing local processing to double the value of oat grain in the oat grain industry. That funding will leverage co-investment from the Grains Research

and Development Corporation, InterGrain, AgriFutures Australia and the oat-processing sector. Earlier this year, it was announced that WA-based cereal breeder InterGrain will lead the national oat-breeding program, with Western Australia to become a centre of excellence in oat research and development, so it is very significant. Again, it is a very significant and important election commitment and new funding.

Mr M. HUGHES: I am particularly interested in how we will engage with wine producers. Will the department make contact with individual producers? How will that be dealt with?

Mr D.A. TEMPLEMAN: There are a number of wine producers in Western Australia, some of them very well-known and some of them emerging. I am advised that the aim will be to engage wine producers in a variety of ways. There has already been the first phase of a project, which involved some workshops that were effectively focused on enhancing the aspiration of wine producers to look at export as a genuine option for their wine-growing business. I am assuming that many of our wine producers, particularly some of the emerging ones, have focused on the domestic market. But we know that our wines are some of the best in the world and sought after. Indeed, opening up opportunities for our Western Australian wine producers into export markets internationally is a very worthy aspiration and, of course, there is funding in this program to support that. There are some wine industry cooperatives—Wines of WA. Working with organisations such as that will be important. I think it is very exciting.

Mr M. HUGHES: I want to make sure —

The CHAIR: Member for Kalamunda, wait for me to give you the call.

Mr R.S. LOVE: I refer to service 6, “Agricultural and Fisheries Biosecurity and Integrity” on page 229, which states —

This service focuses on maintaining and enhancing Western Australia’s biosecurity status and meeting national and international commitments. It also includes integrity matters such as animal welfare ...

From looking at the cost of services, I see that there seems to be quite a spike in last year’s estimated actual amount over the budgeted amount. I am wondering what the reason is for that. I see that there is a note at the bottom of the page that refers to the net cost of service, but also the total cost of service is there. Is that an increase? Can the minister enlighten me on the reason for that?

Mr D.A. TEMPLEMAN: The increase in the total cost of service from the 2020–21 budget figure to the 2020–21 estimated actual figure is mainly attributable to an increase in the number and cost of emergency incidents, with the main cost relating to the Dalkeith and Coolbellup Queensland fruit fly outbreaks, which got quite a lot of attention. The Dalkeith and Coolbellup Qfly outbreaks cost \$11 million. It also includes grants of \$2 million to those affected by tropical cyclone Seroja.

Regarding the difference between the estimated actual figure and the 2021–22 budget target, I think it is important to note that, by their very nature, emergency incidents are not budgeted, and this is reflected in the decrease from the 2020–21 estimated actual figure to the 2021–22 budget target. I hope that explains that variation in the figures.

Mr R.S. LOVE: The minister mentioned that those emergencies took some of the extra funding and there is a smaller amount budgeted for this year. Given the recent news about the bovine Johne’s disease find, if you like, in Western Australia and the change in status of that disease in Western Australia, I am wondering whether there is any consideration at the moment about what extra impost that might have on the cost of services since the budget was written?

Mr D.A. TEMPLEMAN: I think the expertise of Ms Carbon will be appropriate to answer the question.

Ms M. Carbon: The current regulatory program for bovine Johne’s disease in Western Australia is already industry determined and industry funded, so there will be no change in the net cost of service as a result of that. The department will be working very closely with industry to develop a support package around information for WA cattle industries, but that will be managed within our normal services.

Mr R.S. LOVE: That was in relation to direct costs for the cost of services for biosecurity, but on this matter, it also refers to meeting international commitments and standards. Are there any implications for the industry from loss of markets or potential impacts on things like particular live export markets, for instance, from the declaration or the change in status of Johne’s disease?

Mr D.A. TEMPLEMAN: I am sure Ms Carbon will be able to contribute with an answer to this one.

Ms M. Carbon: There is no impact on access to markets at an industry level. Some of our export markets have requirements for Johne’s disease at a property or herd level, but loss of the JD status of Western Australia at a state level will not impact those markets. It is also important to recognise that Johne’s disease is already endemic in sheep in Western Australia and has been for some time. Our international markets do not differentiate between the strain

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of Johnne's disease. Market requirements are set at a disease level, so any Western Australian cattle producers who are impacted by the sheep strain will already have those market access implications.

[8.10 pm]

Mr R.S. LOVE: I have one further question on bovine Johnne's disease. Does it in any way preclude trade from the tropics of Western Australia to the south or does the change of status apply right across the state?

Ms M. Carbon: Currently, the Johnne's disease regulatory control program operates at a state level and the change in regulation will also be at a state level. There is no suggestion that there will be any intrastate movement conditions.

Mr P.J. RUNDLE: On page 222 is line item "Western Australian Wild Dog Action Plan 2021-2025" and a budget estimate and forward estimate for each year of \$2.3 million. On page 232 is line item "Wild Dog Action Plan" with a budget estimate this year of \$3 million followed by three lots of \$1 million. Can someone clarify the differences in that expenditure?

Mr D.A. TEMPLEMAN: I thank the member. I am advised that the first figure is recurrent and the second figure is capital.

Mr P.J. RUNDLE: I have a further question. Noting funding issues that have been raised by the Carnarvon Rangelands Biosecurity Association with the Minister for Agriculture and Food, can the minister confirm that funding has been allocated to offset the reduction in the declared pest rate?

Mr D.A. TEMPLEMAN: Does the member have a budget line for that?

Mr P.J. RUNDLE: No. It is really under the "Wild Dog Action Plan" line item.

Mr D.A. TEMPLEMAN: Is it specific to Carnarvon? Can the member give us more detail?

Mr P.J. RUNDLE: My understanding is that there has been a reduction in funding and that the Carnarvon Rangelands Biosecurity Association needs funding to meet its biosecurity commitments for the forthcoming financial year.

Mr D.A. TEMPLEMAN: Although the member did not necessarily make the correct reference, because I like him, I will ask Mr Addis to respond to his question in a broad context.

Mr R. Addis: I think the member is referring to the reduction in declared pest rates based on the Valuer-General's elevated pastoral lease fee valuations that have been subject to objections from a significant number of landholders. The effective declared pest rate for some recognised biosecurity groups has been reduced more significantly than anticipated. The Carnarvon Rangelands Biosecurity Association being a case in point. We are working pretty hard. We could not foresee that and nor could the RBGs. It has been out of our hands, so we have been in react-and-respond mode. We have done our best to work with those RBGs to mitigate it. We are working to try to cover some of the gap. Although we are somewhat optimistic that we can help to close the gap, we are not quite there yet. I think that is pretty much where we are at.

Mr P.J. RUNDLE: I have a further question. Minister, earlier today I brought up the state barrier fence and the Esperance extension. Can the minister outline why there have been significant delays to the completion of this project—it is not really "completion"; the project has barely begun.

Mr D.A. TEMPLEMAN: Does the member have a line item reference?

Mr P.J. RUNDLE: It is under the "Wild Dog Action Plan" line item.

Mr D.A. TEMPLEMAN: Is it specifically about the barrier fence?

Mr P.J. RUNDLE: It is on page 222 or 223; whatever page the minister would like.

Mr D.A. TEMPLEMAN: I will ask Mr Addis to respond to the question.

Mr R. Addis: I will probably ask Ms Carbon to fill in any gaps I do not cover properly. Clearly, the Esperance barrier fence is a very high priority and that is reflected in the funding committed to this task. I think the member is pointing to the importance growers down that part of the state put on this infrastructure. It is a complex task. Multiple forms of land tenure are required to be freed up to complete the Esperance extension. There are multiple native title groups to consult, and environmental and heritage processes and approvals that are required. It has proven to be very complex. We are making really good progress, certainly on the larger part, with the Tjaltjraak traditional owners, who are constructively engaged. The eastern end of the extension fence is on part of Ngadju native title. We have been experiencing what I describe as administrative difficulties. It has been very difficult to engage with them, so we are looking at plan B options to ensure that the western and smaller part of the extension can be completed. We are optimistic that we will make significant progress in the next short while on the larger chunk and we will be able to get moving with construction. We have continuing concerns about the western end. As I said, we need to make sure that we have backup plans in place for the other part.

Mr D.A. TEMPLEMAN: I am happy for Ms Carbon to add.

Ms M. Carbon: Following the construction of the initial 63 kilometres of fence extension, construction has paused while native title negotiations have been underway. They have been progressing well and we hope to be able to continue that construction soon. In the meantime, we have undertaken procurement for options to build on the existing road reserves that do not require native title. We have also been working with local sheep producers to look at the option of a cell fence for some producers on the eastern end to allow for progress of that construction as well.

Mr P.J. RUNDLE: I have a further question. I can only translate to the minister the level of frustration of landholders in that area while they continue to experience incursions of wild dogs, the relative expense and cost of losing stock, and the frustration with the delays to this program. Is the minister satisfied with the performance of the department in its negotiations with native title holders and the community in general?

Mr D.A. TEMPLEMAN: I think Mr Addis and Ms Carbon have highlighted the complexities of the situation being faced here, obviously bearing in mind the seriousness of the impact of wild dogs on agricultural land more broadly. Since 2017, the government has funded over \$20 million in this area. That is an indication of the government's serious consideration of this challenge. Both Mr Addis and Ms Carbon have highlighted the complexities of dealing with native title and land access issues—they can be complex in nature—and also, as Ms Carbon highlighted, the attempts to progress works whilst those negotiations are ongoing and/or being finalised. I am very confident that the department recognises the seriousness of this issue. It has been supported by the resourcing of this government since 2017 with regard to budget allocations. We are very hopeful that issues around native title or Indigenous land use access can be resolved as soon as possible. It seems that there have been some governance or capacity issues that have been highlighted by some of the stakeholders. But I am very confident that the department is doing everything it can to address the issues faced by growers in that particular part of the state.

[8.20 pm]

Mr R.S. LOVE: I refer to page 222 and the fifth line item from the bottom “Natural Resource Management Program (Administered)”. The program has allocations of \$1.5 million in the out years. I seem to recall that that line item relates to natural resource management programs in the city. If we turn to page 232, under works in progress, we find the regional natural resource management program, which has steeply declining allocations. In fact, there is no allocation for that program beyond 2023. Has the state given any consideration to an ongoing commitment that supports natural resource management programs or is that something that will cease to happen in regional Western Australia?

Mr D.A. TEMPLEMAN: The member referred to the “Natural Resource Management Program (Administered)”, which is the line item that is fifth from the bottom of the page.

Mr R.S. LOVE: Yes, fifth from the bottom of page 222.

Mr D.A. TEMPLEMAN: It shows figures of \$1.5 million in the out years from 2022 —

Mr R.S. LOVE: I think that program is a metropolitan-based program. What will happen in the country areas when their allocation ceases on 1 July 2023?

Mr D.A. TEMPLEMAN: I might ask Mr Addis to make a further comment, but I am advised that the first line item that member has referred to on page 222 related to the grants scheme. The second line item is capital for the state barrier fence with an estimated total cost of \$9.8 million. The first item includes \$6.2 million from royalties for regions—regional—and 20 per cent, or \$1.5 million, from consolidated funds.

Mr R.S. LOVE: Did the minister just say that the regional natural resource program is for the state barrier fence?

Mr D.A. TEMPLEMAN: Yes, the figure on page 232 is the estimated capital allocation.

Mr R.S. LOVE: Is that in addition to the Western Australian wild dog action plan?

Mr D.A. TEMPLEMAN: Yes, it is.

Mr P.J. RUNDLE: I refer to page 234, the income section, which is about a third of the way down the page, and regulatory fees and fines. I notice that the 2021–22 budget predicts an increase from around \$37 million up to \$52 million. Can the minister outline what increases are expected due to that roughly \$15 million increase?

Mr D.A. TEMPLEMAN: I am advised that the increase from the 2020–21 budget to the 2020–21 estimated actual is largely due to the receipt of commercial access fees from the west coast rock lobster managed fisheries licensees prior to the new fishing season, which commenced on 1 July 2021. The increase from the 2020–21 estimated actual to the 2021–22 budget estimate is due to the normalisation of fisheries' access fees in that financial year of 2021–22. It should be noted that the early receipt of the access fees in June 2021 will result in a below budget result in 2021–22.

Mr P.J. RUNDLE: I heard what the minister said about normalisation, but that is a \$15 million increase, and then there is another \$8 million increase in 2024–25. Can the minister tell me what that is down to?

Mr D.A. TEMPLEMAN: I might ask Mr Addis to clarify the answer to the second question.

Mr R. Addis: The changes in last year’s actuals and the following two years relate to the deferral and subsequent recovery of deferred, largely commercial, fishing fees. We do not have the details with us of what the elevated number is towards the end of the out years in 2024–25.

Mr D.A. TEMPLEMAN: I suggest that the member puts that query in the form of a question on notice to the Minister for Fisheries.

Mr R.S. LOVE: I turn to page 241 of the same volume that we have been looking at the whole time. Under expenses, I refer to the last line item “State Contribution to Natural Resource Management”. I hope that this is where I might find a contribution to natural resource management by the state government to those community groups and others in regional Western Australia. What is this allocation for?

Mr D.A. TEMPLEMAN: The state natural resource management program has grant-funded projects that run over two or three years. Not all grants are fully paid in the year of allocation. Payments are made on evidence of milestones achieved across all years of each grant. This has led to a lag time in actual expenditure reflecting the funding allocation. Milestones occur over the life of a project, and as payments are attached to successful completion, they are also paid over the life of the project.

Is there an appropriate officer who might be able to give further clarification on the natural resource management question? I defer to Mr O’Connell.

[8.30 pm]

Mr L. O’Connell: We are aware of three active grant programs—community stewardship grants, which have ongoing annual funding; community collaboration grants, which have one-off funding for 2021–22; and core business grants, which also have one-off funding for 2020–21. The largest grant by some distance is the first one, the community stewardship grants, which have annual funding of \$7.75 million.

Mr P.J. RUNDLE: Under the heading “COVID-19 Response” on page 222 is the line item “Future Drought Fund—Farm Business Resilience and Regional Drought Resilience Planning Programs” and a budget estimate of \$3.561 million. We have had one wet winter and the funding seems to have disappeared in the out years. I am wondering what the logic is.

Mr D.A. TEMPLEMAN: I am happy for Mr Binning to respond to that line of inquiry.

Mr C. Binning: This funding represents the state’s contribution to programs that are being delivered through the commonwealth government’s future drought fund, which is a new \$5 billion investment fund designed to secure continuous funding for drought resilience initiatives. The funding is initially for a trial two-year period. Once again, those programs will be evaluated. The commonwealth’s appetite to continue to invest will also be evaluated, and at that time, if required, further appropriation will be sought.

Mr P.J. RUNDLE: Would there be a further appetite to continue with this, with or without federal assistance?

Mr D.A. TEMPLEMAN: I will ask Mr Addis to make a comment and Mr Binning as well, if necessary.

Mr R. Addis: We welcome the commonwealth contributing in this space. Broadly speaking, the WA farm sector is at the resilient end of the resilience spectrum in terms of Australia’s national agriculture sector. We have done a lot of the hard yards over the last couple of decades, in particular. We would consider future initiatives like this in the context as things emerge. We certainly think that our farmers have done a great job in building resilience and adapting on the go. They certainly do not have the sort of catch-up that is required in some of the east coast states.

Mr D.A. TEMPLEMAN: Mr Binning, did you have anything further to add?

Mr C. Binning: I can only comment that Western Australia has a long history of resourcing farm business planning and drought resilience planning. That is an ongoing program that the department is certainly strongly committed to. The other comment I would make is that the commonwealth’s future drought fund is a very large fund. It will yield in excess of \$100 million of funding per annum across the forward estimates. There is a lot to learn about how that fund will operate and how to maximise opportunities for Western Australia. We will be actively participating in that process.

Mr R.S. LOVE: I am trying to understand the relationship between the commonwealth fund and this allocation. Is this some sort of show of good faith that we are putting money in ourselves? I am unsure of the partnership arrangement that the minister has spoken about between the commonwealth and the state, and also the fact that

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there is an appropriation determination on page 240 for that set amount. It just does not seem to explain to me what we are going to get on the ground for this expenditure.

Mr D.A. TEMPLEMAN: Mr Binning may be able to clarify.

Mr C. Binning: As I understand it, the funding represented in the budget represents the state's matching contribution. Those funds will be matched by the commonwealth.

Mr R.S. LOVE: So at the moment, \$7 million is available?

Mr C. Binning: I do not want to mislead the member, so I am happy to take that on notice. That is my understanding, but I need to confirm it.

Mr D.A. TEMPLEMAN: I am happy to provide supplementary information to the member. It is essentially the dollar figure allocated by the state in relation to the future drought fund.

Mr R.S. LOVE: And its relationship to a matching commonwealth grant.

Mr D.A. TEMPLEMAN: Right; and referencing it of course to the regional drought resilience fund.

The CHAIR: The minister has agreed to provide supplementary information. Could you restate what that information is?

Mr D.A. TEMPLEMAN: Yes, I will attempt to do that. I am happy to provide the financial contribution, in a dollar figure, by the state in relation to the regional drought resilience future drought fund and the farm business resilience and regional drought resilience program.

[*Supplementary Information No B7.*]

Mr P.J. RUNDLE: I refer to "Total Appropriations" on page 221. The budget estimate for 2021–22 is \$285 463 000, but the 2024–25 forward estimate drops to \$197 million. Can the minister explain that 30 per cent drop in total appropriations to this area?

Mr D.A. TEMPLEMAN: I will seek some clarification, but I think that it relates to the expiration of some project-related appropriations. I will ask Mr Addis to comment.

Mr R. Addis: My understanding is that the shift, which is in the order of \$80 million, between the budget estimate for 2021–22 and the final out year will broadly consist of about \$45 million of carried-forward expenditure, largely on the royalties for regions program, plus new commitments, largely election commitments. From memory, it is about \$40 million; our chief financial officer is saying it is \$31 million. In combination, the \$45 million of carried-forward royalties for regions expenditure into the current year's budget and the extra election commitments, about \$35 million, largely explains the shift of \$80 million.

[8.40 pm]

Mr P.J. RUNDLE: I guess I would not mind some more clarity, because on the surface, it really is not a good look. It looks like, basically, the Department of Primary Industries and Regional Development is taking a 30 per cent hit without being able to get any real clarity on what makes it up, and the number seems to constantly drop from one year to the next. On the surface of it, it does not look good. Capital appropriations are also dropping.

Mr D.A. TEMPLEMAN: I point the member to the 2019–20 figure of \$196 374 000. Mr Addis has given an explanation of the additional expenditure that takes the budget estimate through to a high of \$243 331 000 in 2021–22. The difference between 2019–20 to 2024–25 is a consistent base level. It simply peaks in that 2021–22 budget estimate for the reasons given by Mr Addis.

Mr P.J. RUNDLE: Is there a way of clarifying or pinpointing the differences in the form of royalties for regions and election commitments? Is there some way of providing some information to clarify that?

Mr D.A. TEMPLEMAN: I will just consult. I am happy to get an answer for the member. I just want to make sure that we get the right answer.

At this point in time, I do not think we can add anything further. Some of the contributing factors are election commitments that have been made and are incorporated in that figure. Those commitments appear in the budget papers but at other places, or are referenced. Rather than take it as supplementary information, I suggest that the member might consider a targeted question on notice.

Mr R.S. LOVE: Turning to page 223 and the significant issues impacting the agency, the tenth dot point states —
...an extensive legislative reform program in the areas of animal welfare, biosecurity and aquatic resource management. The independent review of the Animal Welfare Act 2002 has been finalised with the Department now working to implement the Government's response.

In terms of the department's role in responding to that, is there an expectation that that matter will require significant expenditure at some point in the future? Do we have any idea of the increased number of inspections, for instance, that might be required and where in the budget that is considered?

Mr D.A. TEMPLEMAN: I will ask Ms Brayford to respond. To make some broader comments, the department has an extensive legislative reform program in animal welfare, biosecurity and aquatic resource management. The member referred to the independent review of the Animal Welfare Act. The independent review has been finalised, with the department now working to implement the government's response. I ask Ms Brayford if she could add further to the member's line of inquiry.

Ms H. Brayford: The government's response to the Animal Welfare Act review provides funding of \$2.8 million over four years to the department, which covers three key elements. One is funding to support the legislative reform program to implement the appropriate recommendations from the independent panel in terms of amendments to the Animal Welfare Act. There is also funding for an Animal Welfare Advisory Committee to provide advice to the minister on animal welfare matters. There is also funding to support the development of an ethics committee process so that community projects can seek ethics approval to support their scientific licences. They are the three key elements of the funding to support the government's response.

Mr R.S. LOVE: The tenth dot point also refers to a review of what is known as the BAM act—the Biosecurity and Agriculture Management Act. It says that an independent panel is to be appointed. Do we know when the review of the act may be complete and when the panel will have done its work and prepared a report?

Mr D.A. TEMPLEMAN: I am advised that the expectation is that the outcomes of that will be expected by the end of next year.

Mr P. LILBURNE: Good evening, minister.

Mr D.A. TEMPLEMAN: Good evening.

Mr P. LILBURNE: I thank the minister this evening for his candour in answering these inquiries about various areas in the portfolios that the minister administers. I also thank the advisers in their various capacities for their time this evening; it is very much appreciated.

I have a very keen interest in biosecurity matters. In my university studies, environmental management was one of my areas. I would like to refer the minister to page 222 of the budget papers, volume 2, and the new funding for "Biosecurity Incidents and Emergency Response". Could the minister please outline how this funding will help protect our valuable agricultural industries going into the future?

[8.50 pm]

Mr D.A. TEMPLEMAN: I thank the member. A number of questions on biosecurity have been asked, which highlights for all members in this place the importance of a robust biosecurity system for WA. As has been highlighted, some additional moneys have been appropriated in this budget to reinforce our state's biosecurity capabilities. An amount of \$15.1 million has been committed. It is important to understand the ongoing threats of biosecurity to the state. We know that there has been a number of incidents in recent years and, of course, more recently, which have threatened production and, in many ways, whole industries. They will be ongoing and that is why we need a robust system in place to respond to challenges when they occur.

We are providing additional funding effectively to enhance our early warning and detection systems. That will boost our emergency preparedness and build a response capacity and capability. As we have highlighted, the fund includes the commitment of new officers, or full-time equivalents, in the department. I remember doing estimates for Minister MacTiernan a couple of budgets ago when we highlighted the effort by this government to re-resource the department and its work after it had been allowed to decline under the previous government's administration. We are putting in additional full-time biosecurity jobs in DPIRD. Mr Addis has already highlighted that it would be expected that a number of those would be in the regions, as is the nature of the business. We would also focus some of the funding to develop preparedness and surveillance plans for higher priority plant and animal pests and diseases. They include aquatic pests, which could have a significant impact on our state's primary industries and trade. These include African swine fever, the khapra beetle and white spot in prawns, as well as environmental pests such as myrtle rust and red imported fire ants. We can be very proud of the government's response to biosecurity. It is an issue that we need to be very cognisant of as we go forward, but ultimately it is about protecting Western Australia's produce and agricultural and other produce industries and maintaining our very high standards and respect for our high-quality produce into the future.

Mr P.J. RUNDLE: I refer to the ninth paragraph on page 203 of budget paper No 2 under "Significant Issues Impacting the Agency". How is the department progressing its strategy to grow its presence in regional Western Australia?

Mr D.A. TEMPLEMAN: I am happy for the director general to respond. It is obviously an important strategy for the department.

Mr R. Addis: I thank the member for the question. We will expand on where we got to this morning. From the get-go of this new department, we have strived to maintain and strengthen our regional footprint. Between 36 and 38 per cent of our workforce is regionally based, which is far and away the most significant, particularly of any of the economy-facing departments, which is a great strength and attribute for this department. Through the past three years we have sought to place, where possible, key new roles in regions. We have had a number of agribusiness and food and trade positions based regionally. Some of our investment management roles have been placed regionally. In Mr O’Connell’s pillar alone about 28 of our newly placed roles have been regionally based, which makes a significant difference. We have also sought to maintain and support the role of the commissions in that regard. We would like to continue to incrementally grow both the number of people based regionally and also the leadership content we have based in the regions. As the department for primary industries and regions we think it is critical for us to have senior people contributing to key decisions that are based in the regions. We have work to do in that regard; we know that. It is a never-ending process and we remain committed to doing that, but it is an incremental process.

Mr C.J. TALLENTIRE: I am interested in the ninth paragraph on page 223, which mentions the department is progressing plans for a permanent long-term metropolitan facility. Can the minister share with us some detail on where that might be? I know there is some very good land available in the Gosnells and Thornlie areas.

Mr D.A. TEMPLEMAN: I like your style, member!

The department is progressing plans for a permanent long-term metropolitan facility. That is my understanding. It is an ongoing process that includes potential site selection. It remains a priority with the department to address the accommodation needs for metropolitan-based staff. It is important also to emphasise the answer to the previous question about growing staffing in our regional areas. It is also a concern when we see the loss of a significant number of staff from the department, as we saw in the previous regime. Many of them were from the regions. Through Minister MacTiernan the government has been focused on addressing what was allowed to be a decline under the previous regime and has worked very hard. There have been a couple of references throughout this evening to staffing levels increasing and also increased numbers being delivered to regional Western Australia. I do not think we are in a position to announce tonight the “where”—we have not been given permission—but it remains a priority for the department and for the minister. I have always been pushing for Mandurah, of course. As a regional community, it makes sense. Mr Addis.

Mr R. Addis: Nor have I been given permission to announce the “where”. However, there is provision in this budget to complete the detailed planning for future sites and a biosecurity diagnostic facility, which is much needed. They are facilities that cannot be easily leased on the market, so it is a critical and special purpose. A bit of infrastructure is involved so we are working hard with the relevant agencies to progress that and move that agenda forward.

The CHAIR: It should be said that some excellent land and an enviable lifestyle are available around the Cockburn Central area as well! Are there further or new questions?

Mr R.S. LOVE: Is the decision that the permanent facility must be in the metropolitan area? I could not quite hear what the minister was saying.

[9.00 pm]

Mr D.A. TEMPLEMAN: There are significant components of the work of the agency. Traditionally, there has been a presence in the metropolitan area, so that will remain. It is now in the process of identifying, ultimately, a site for the provision of accommodation for metropolitan-based staff and the associated units of work that are attached to that. As we have already highlighted, we have been working very hard to reverse the decline that the member for Moore, as an agricultural region-based member, allowed to happen under the previous government. We are making very good inroads. We are resourcing the department and resourcing the programs associated with the department—biosecurity is one of many examples—and we will continue to do that. Included in that is the identification of a new site.

Mr R.S. LOVE: Paragraph 9 refers to a long-term metropolitan facility that supports the protection of Western Australia from biosecurity threats and drives research to grow the state’s primary industries. That implies that the location of the site has some ramifications for the ability of the department to do those two things. What are the parameters for the department’s selection of a site? Is there a defined set of parameters that the site must meet or is it simply a piece of government land that is convenient to grab?

Mr D.A. TEMPLEMAN: Before I ask Mr Addis to respond, I wish to highlight two critical factors in that paragraph. One is the plan for a permanent long-term metropolitan facility and also the progression of the strategy to continue to grow the presence of the department in regional Western Australia. Both are key priorities. Both are focused on

ensuring that Western Australia's biosecurity response and other issues associated with the work of the department are resourced and addressed in the most effective manner. Again, these important plans build on this government's approach to restoring the resourcing and focusing on the importance of the agricultural sector in the economic story of Western Australia. The government is very proud of that. We came off a decline that the member's side of politics oversaw in its term of government over eight and a half years. We are restoring that. We are building resources and focusing. Matters regarding the site selection will have a range of criteria and parameters for consideration. Mr Addis may wish to make a brief comment.

Mr R. Addis: A couple of key parameters are relevant to the member's question. I start by pointing out that roughly two-thirds of the facilities are biosecurity diagnostics focused and, in particular for those functions, they need to be centrally located and close to the airport. It is unfortunately the case that most of our biosecurity finds occur in the metropolitan area. It is pretty important functionally for those diagnostic laboratories to be centrally located.

As far as the R&D functions go, there is a strong benefit to be had by being adjacent and connected to the universities, which are largely Perth based. That is an important parameter. Beyond that, we have a terrific network of regional based R&D research stations from the north of the state to the far south in Esperance. For instance, the Northam Grains Research Facilities is really hitting its straps. It is pretty much full now. It carries a heavy load. It is the case that the bulk of our labs-based agricultural R&D is already through that regional network of research stations. Having a component, modest as it may be, in that space that is metro and connects us to the universities is pretty strategically inbuilt.

Mr R.S. LOVE: The premise that Mr Addis just outlined would seem to me to suit Kensington. Why is the department not doing it there?

Mr D.A. TEMPLEMAN: I understand that a range of issues are associated with the Kensington site. That is why a process to determine a new site has been the course of action.

Mr R.S. LOVE: The actual upgrades to the laboratories at Kensington have commenced. Can the minister give me an indication of that progress and when that upgrade or program of development will be complete at Kensington?

Mr D.A. TEMPLEMAN: I am happy for Mr Addis to respond to that, in terms of the time line.

Mr R. Addis: There are largely two primary streams of work happening to make sure that we have functional facilities that support business continuity for the next few years. At Kensington, firstly, where possible, we are making good the existing facilities by doing some remediation to the roof to make it more waterproof, which is proving possible in all cases, and putting in some wall and floor treatments to make sure that they are fit for purpose and not subject to the same asbestos risks that we encountered last year. That is well advanced and almost complete. Also, about 1 000 square metres of temporary lab facilities are being installed. They are well out of the ground. I do not think we have started structural construction yet but the foundations and site works are well progressed. That will be ready to start the certification process, which takes several months, before it can be readily occupied and used before the onset of winter next year.

Mr R.S. LOVE: I turn briefly to a different matter—the Digital Farm program, on page 237. It is a telecommunications infrastructure program of sorts. It has been rolled out in several tranches. I see that the budgeted amounts in 2021 are way under the actuals. Anecdotally, I know of some delays—I am told 12 months around Dandaragan—in the implementation of that program. Can the minister give me an update on the rollout of the Digital Farm program, both the original one and rounds 2 and 3?

Mr D.A. TEMPLEMAN: I am happy to make a preliminary comment, and there may be some more additional information. The Digital Farm project is part of the agricultural telecommunications infrastructure fund, which aims to support the application and use of new technologies in regional areas to provide digital connectivity to farming regions. The ATIF will contribute to the productivity gains and industry sectors, such as agriculture and food processing, as well as professional services through grants and a subsidies budget of \$771 000, which has been allocated in 2021–22, with an additional \$809 000 in 2020–21 re-cashflow to 2021–22.

There are eight recipients of the Digital Farm grants program, delivering 20 projects through three rounds of funding. This will enable approximately 2 340 WA farming businesses across 110 square kilometres to use smart farming technologies, such as cloud-based data sharing and decision-making tools to improve productivity and outputs.

When completed, this Digital Farm grants program will cover approximately 55 per cent of the grain belt. It will include Kununurra, Carnarvon and parts of the south west. The status of round 2 of the Digital Farm project is that a grants subsidies budget of \$300 000 has been allocated for 2021–22, with an additional \$1.35 million re-cashflowed from 2020–21 to 2021–22. With regard to round 3 of the Digital Farm project, a grants subsidies budget of \$7 million has been allocated for 2021–22, and an additional \$3.25 million will be re-cashflowed from 2020–21 to 2022–23. I hope that gives the member an update on the status of those rounds and the fund more broadly.

[9.10 pm]

Mr R.S. LOVE: I do not think it addresses whether the program is actually rolling out to schedule in the sense of those under-expenditures, if you like, between what was budgeted and what was actually spent, and whether there have been significant delays in rolling out the program.

Mr D.A. TEMPLEMAN: I am advised that there are no significant delays that we can report with the rollout. The commitment, though, is a very important one, and is significant in its budget allocation. I do not think there is any more to add to that.

Mr R.S. LOVE: Funding in round 3 of the Digital Farm project is \$7 million over two years, which is a substantial increase on what had been on offer before, in any particular year. There were smaller allocations. Has there been a change to the criteria for the selection of projects that may be funded under this program, or is a larger program envisaged or might a particular partner be selected?

Mr D.A. TEMPLEMAN: No; I am advised that there has been no significant or substantial change to the criteria or the process. I think the additional allocation of funding the member highlighted reflects the general success of the program since its inception. The continued rollout is very desirable, given the success of the first two rounds.

Mr P.J. RUNDLE: I refer to the third line item from the top of page 232, “Katanning Sheep Transition”. Can the minister provide some more detail on this project?

Mr D.A. TEMPLEMAN: On the Katanning sheep transition?

Mr P.J. RUNDLE: Yes.

Mr D.A. TEMPLEMAN: The Katanning sheep transition has a total commitment of \$1.5 million and focuses on the development of a central testing facility to increase opportunities for the Department of Primary Industries and Regional Development to attract national and international research funds for the measurement of feed intake and greenhouse gas emissions from sheep. Such a facility will also provide opportunities to collaborate with our state universities to research the merits of different feed types and environmental and genetic factors that can improve efficiencies for the Western Australian sheep industry. The project was originally budgeted at \$1.1 million in 2020–21 and \$400 000 in 2021–22. In terms of its current status, extensive groundworks and construction have already been completed, with a \$325 000 fit-out requiring carryover funding from the 2020–21 to 2021–22 budget. It seems that the Katanning sheep transition initiative is on target in terms of delivery.

Mr P.J. RUNDLE: I see that there is no further funding in the out years. The department is obviously expecting to have some important information or evaluation available by the end of this financial year.

Mr D.A. TEMPLEMAN: This is capital works—essentially, the construction of a shed-like structure. This particular line item is a capital investment.

Mr R.S. LOVE: I refer to the fourth paragraph under “Significant Issues Impacting the Agency” on page 223, which deals with initiatives to bring in labour and deal with the social and economic disruptions caused by the COVID-19 pandemic. It states, in part —

The Department is coordinating several initiatives in response to this challenge, including via the Seasonal Worker Programme, the Pacific Labour Scheme and the Regional Travel and Accommodation Support Scheme.

I am wondering what happened to the proposal to bring labour in through Bladin Village in the Northern Territory. Is that something the department looked at and worked on trying to bring to fruition when it was suggested by the federal government?

Mr D.A. TEMPLEMAN: I will ask Mr Addis to respond to that particular line of inquiry.

Mr R. Addis: Obviously, a lot of effort has gone into a range of measures to alleviate the workforce shortages that have resulted from the various border closures. Through the seasonal worker program, I think we are heading towards about 1 500 new workers into Western Australia, which has been very well received, as well as Work Out Yonder and similar incentive programs.

In terms of the reference to Bladin Village, the state government has been advocating that the commonwealth government look at opportunities to set up essentially dedicated quarantine facilities, starting with Christmas Island and other potential facilities. More recently, the commonwealth started to talk about the possibility of Bladin Village, which is a facility in the Northern Territory. It is controlled by the Northern Territory government more so than by the commonwealth government. I understand that the commonwealth government has been talking to the NT government, but from what we can perceive, it is not there yet in terms of achieving an agreed way to stand that up as a facility for this purpose. If that happens, either at Bladin Point or some other place around the country,

we would be keen to collaborate and cooperate with whatever jurisdiction that happens in. If it happens in WA, that would be extra good. We are on the front foot with it, but it ultimately depends on the commonwealth government finding a way to actually get something going.

[9.20 pm]

Mr R.S. LOVE: Minister, is it the case that the federal government never actually secured the use of that facility in the Northern Territory and was not in a position to enable the state to use it if it had wished to do so?

Mr D.A. TEMPLEMAN: I am advised that we have been unable to ultimately secure support from the Northern Territory government to progress such an initiative. One of the reasons for that from a Northern Territory perspective is the ultimate cost to the territory in providing that facility and the health and security resources that would be required to support such an initiative. I think it is important to note that this whole issue regarding workforce shortages and responses is one that has been of primary concern to the minister and the government. Mr Addis has highlighted a range of measures that have been progressed. It is true that as at 15 September, 1 459 Pacific Islanders entered WA under the Seasonal Worker Programme and Pacific labour scheme. Only as late as last week, on 16 September, 161 people arrived from Tonga as part of that Pacific labour scheme. Those workers have undertaken or are undertaking quarantine and were accepted over and above our international arrivals cap.

The other thing it is important to note is that some other more localised initiatives have been delivered, including short training courses for harvest workers through the Muresk Institute and some regional TAFEs. Two courses have been fully subscribed at Muresk and a third is filling fast. Efforts are being made also through the Work and Wander Out Yonder program. A new round of the regional travel and accommodation scheme commenced on 9 September, just over a week or so ago, with \$1 million in funding available to anyone who moves more than 100 kilometres to the regions to take up eligible primary industry roles. They do not all get \$1 million, by the way—that is the total figure that is available. It includes successful applicants receiving an allowance of up to \$500 for travel and \$40 a night for accommodation for up to 12 weeks. There is a range of measures. The minister has been working particularly hard to try to address this challenge.

Mr R.S. LOVE: I have another question about Bladin Village. Were any costings drawn up or was there any examination of what it would cost? Was there any formal process whereby the Western Australian government or the department actually looked at what it would be and how that cost recovery could be shared? There was some talk that the industry might be willing to put in some money as well.

Mr D.A. TEMPLEMAN: The proposal in the Northern Territory is in the Northern Territory, and therefore the issues that are ultimately governed by the territory in terms of access to its land and to the proposal are problematic. Obviously, the department has done preliminary work over time on such facilities in Western Australia. However, the entity to which the member referred is in the Northern Territory, so the state of Western Australia cannot force the territory or any other state to provide a resource or service that it may not be interested in providing.

Mr P.J. RUNDLE: The minister was quoted on radio as saying that it would cost \$20 million. Our calculations were more like \$4 million or \$5 million. Regardless of what our calculations were, it indicates to me that the minister was working on some sort of draft proposal. Given she was quoting a figure of \$20 million, I am assuming some work was done by the department to draft up a plan with expenses for the state government.

Mr D.A. TEMPLEMAN: I am advised that, essentially, quotes were sought from private providers to stand up the facility, but the indicative quotes received to date vary in price. They range up to \$20 million for a four-to-six-week quarantine period. After negotiations regarding Bladin Village, which has been referred to, had commenced, we then became aware that the federal government had been working on its own proposal to use Bladin Village for economic cohorts. Essentially, we have to be realistic about the circumstance of getting a facility up and running at a cost that is, essentially, very high. We believe that, ultimately, it should be within the commonwealth's realm to stand up this facility. I think that reflects the accuracy of the minister's comments about the \$20 million figure.

Mr P.J. RUNDLE: As has been quoted, the grain crop is potentially worth \$7 billion. The commonwealth said it would provide that facility and it was up to the state government to draft a plan and put it together. I ask the minister whether he felt that, in proportion, getting that skilled labour across to take off our \$7 billion grain crop would be a good investment? With the minister quoting \$20 million, I would have thought there was a draft plan somewhere in the mixture and it was probably decided by other powers that it would not be suitable to go ahead with.

Mr D.A. TEMPLEMAN: I think we have to look at the history of this whole issue. We know that in July, the minister wrote to the commonwealth seeking the commonwealth's leadership in this whole matter. The Premier as well has indicated to the commonwealth that there are facilities such as those on Christmas Island, for example, that could be made available for provision of quarantine opportunities for workers who are required. Of course, it became very clear that the federal government was not going to entertain that; it was not going to look at its own federally owned facilities to assist in addressing this challenge. Because that became clear, the minister,

and the government then sought to look at other options, including, of course, the Bladin Village option in the Northern Territory. Included in that are the costings.

Ultimately, the issue around Bladin Village related to the urgency of the commonwealth to negotiate with the Northern Territory. I think that in many respects the commonwealth has been less than helpful in genuinely exploring options such as Christmas Island. On a range of quarantine-related matters, the Premier has been highlighting that the commonwealth has facilities that we believe could be made available, but the fact they have been ruled out by the commonwealth is certainly not helpful in the broader context of quarantine facilities being made available for the needs of getting our harvest underway and taking crops off.

[9.30 pm]

Mr P.J. RUNDLE: The member mentioned a range of quotes. I assume \$20 million was on the high side. Can the minister let us know what range of quotes were on the lower side, perhaps, or the medium side?

Mr D.A. TEMPLEMAN: My understanding is that the quotes ranged from several million dollars to \$20 million. The reality is that in many respects if the commonwealth had been more cooperative and responsive earlier, we might be in a different situation today.

Mr P.J. RUNDLE: Minister, if the quotes ranged from a few million dollars to \$20 million, would the state have been justified to press on with a quote of several million dollars, which would have allowed further skilled labour in to help get off our \$7 billion crop?

Mr D.A. TEMPLEMAN: That still does not satisfy the Northern Territory's health and security requirements, does it? Those matters are ultimately between the commonwealth and the Northern Territory in the case of a facility there.

This also goes to the question of who is fundamentally responsible for quarantine. It is national security because that responsibility falls clearly and squarely in the lap of the federal government. It is my personal view that the commonwealth has not been at all helpful in taking clear responsibility for the provision and operation of quarantine facilities. We know that there have been more recent announcements regarding a proposal, I think, for a quarantine facility in the north of Perth and one west of Melbourne. But one of the unfortunate late responses of the commonwealth was to recognise that quarantine responsibility and, ultimately, national border issues are, in fact, clearly under the jurisdiction of the commonwealth, and I think that it was found wanting.

Mr P.J. RUNDLE: The minister talks about the commonwealth and quarantine, yet 1 500-odd Pacific Islanders have come in to help our horticultural industry, for which somehow the state managed to work out the quarantine arrangements. I am curious about the difference between that and if we had double-vaccinated skilled workers coming in from northern Europe. If we have health and security advice from the Northern Territory government, is the minister able to table that advice?

Mr D.A. TEMPLEMAN: No, I am not. But I reiterate that matters pertaining to the Northern Territory are matters for the Northern Territory to ultimately negotiate with the commonwealth, including, of course, as is its right, any concerns it may have for resourcing and ensuring that both health and security matters are addressed appropriately; and, in that case, it would need to be satisfied that they can be addressed and that would need to be supported by the commonwealth.

I cannot speak for the Northern Territory government on the matters that it negotiates with the commonwealth. However, I make the simple point that it is a pity that there was not an earlier response from the federal government in foreseeing such challenges as we are facing now. That would have been very helpful rather than ruling out its capacity to make existing quarantine facilities available as an option or, indeed, acting earlier on the provision of new facilities so we do not face the problems that we have. The reality is that we will probably face COVID and other ultimate pandemic threats in the future. That is why future facilities like the one proposed north of Perth, the one proposed in Melbourne, and I think the one proposed or talked about in Queensland, will be infrastructure, if built in a timely way—I do not have any information to say that they will not be delivered by the commonwealth—and facilities that will be available for any future threats. The reality is we have to get a harvest off in the next month or so, and we have done everything that we possibly can, in my view, to try to address the challenge we are facing. I have indicated a number of examples of those in answering the member's questions this evening.

Mr P.J. RUNDLE: I will ask a final question to wrap up. I want to confirm whether the state has had any formal correspondence from the Northern Territory outlining its concerns; and, if not, has the commonwealth flagged any formal concerns from the Northern Territory government around health and security?

Mr D.A. TEMPLEMAN: There have been conversations between agencies on this issue, but in terms of a formal approach, I am advised, to my knowledge tonight, that no formal approach has been made.

The appropriation was recommended.