

Chairman; Mr Mick Murray; Mr Terry Redman; Mr Chris Tallentire; Mr Ian Blayney; Ms Lisa Baker; Mr Ian Britza; Mr Vincent Catania; Mr Fran Logan

Division 64: Agriculture and Food, \$168 943 000 —

Mr P.B. Watson, Chairman.

Mr D.T. Redman, Minister for Agriculture and Food.

Mr R.J. Delane, Director General.

Mr K. Chennell, Executive Director, Livestock.

Mr P. Metcalfe, Executive Director, Grains.

Mr G. Paust, Director, Regional Operations.

Ms M.A. Somers, Director, Corporate Strategy and Operations.

Mr S.A. Mitchell, Chief of Staff, Office of the Minister for Agriculture and Food.

Mr S. Helm, Policy Officer, Office of the Minister for Agriculture and Food.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 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 committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the minister to cooperate with those requirements. 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 with the Clerk's office. Only supplementary information that the minister agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

[Witnesses introduced.]

The CHAIRMAN: The member for Collie–Preston has a question.

Mr M.P. MURRAY: My first question relates to last night's *Four Corners* program, which I am sure raised a lot of interest. The last item on page 773 of budget paper No 2 relates to improving animal welfare in Western Australia, and has an allocation of \$900 000. How many inspectors will this allocation allow to be recruited and retained; where will the inspectors be located; what specific duties will they undertake; and, what powers will they have to enforce the act?

Mr D.T. REDMAN: I will give a little bit of the history of the Animal Welfare Act. The member knows that this government's decision for the Department of Agriculture and Food to take over the management of the Animal Welfare Act will come into play on 1 July this year, so presently I neither have responsibility for the act, nor do I have a response to any issues that relate to animal welfare. As the member quite rightly stated, the budget papers show a figure of \$900 000 for animal welfare for this year, which is the extra consolidated fund contribution in our recurrent funding, along with what will be transferred from the Department of Local Government to the agency to support the total funding, I think, of \$1.6 million a year for animal welfare. An additional six inspectors will be put on as part of that, so we are effectively doubling the resources spent on animal welfare in Western Australia. With agriculture having the wide footprint it has, that contribution is good news for animal welfare. I will be corrected if I am wrong, but it is my understanding that this allocation will allow for 14 animal welfare officers within the Department of Agriculture and Food, on top of the 200 general inspectors who have authority—that is, within local government now—as rangers. The Royal Society for the

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Prevention of Cruelty to Animals has a range of people who have general inspection capacity, but that is not their prime task. From 1 July, after they have been through all the necessary training programs, there will be up to 14 inspectors based with the Department of Agriculture and Food dedicated to that task. I think this is good news for animal welfare, and certainly the decision to double the resources for that in an agency like the Department of Agriculture and Food is most appropriate.

The member asked where the inspectors will be located. The director general will comment on this, but at this point I am a little cautious about exactly pinpointing locations. Firstly, a whole training exercise must be gone through; and, secondly, they need to be located to get the best outcomes in terms of monitoring, responding to and dealing with animal welfare issues in the state. From a minister's perspective, it would be presumptuous of me to say where I think they should go. I think we have now directed a significant resource to animal welfare, and an extra \$250 000 will be given to the RSPCA, which will double its resources so that it can continue the fine job it does in the community, particularly related to companion animals and smaller animals. I think our support for that is, indeed, appropriate.

In answer to the member's last question, from 1 July I as minister will have full responsibility for the authority of the act, and the agency will have the responsibility of its deployment.

Mr M.P. MURRAY: Will the department have any involvement in decisions about where animals are to be sold, such as which abattoirs in Australia and overseas? Will the Western Australian government be looking into welfare issues?

Mr D.T. REDMAN: I am assuming the member's question relates to the very graphic details provided on *Four Corners* last night.

Mr M.P. MURRAY: Some; there are onshore properties as well.

Mr D.T. REDMAN: I do not think anybody wants to see that sort of behaviour or cruelty to animals anywhere, and I found that quite confronting. Having watched the program last night, I listened to the federal minister's comments this morning on the media and read the releases he put out. Of course, he has responsibility for that trade, but certainly from Western Australia's perspective it is definitely in our interests to ensure that we influence the practices around welfare while animals are in transit; I highlight that there have been significant improvements in welfare standards for animals in transit. Australia has some of the highest standards in the world, but, clearly, some of the practices in the destination countries leave a fair bit to be desired. I think what was shown on *Four Corners* last night was a very stark example of that. Although I am the minister with responsibility for the Animal Welfare Act while animals are in our jurisdiction, I do not have direct responsibility for the trade through borders and international quarantine arrangements, although I do have an interest. My interest is that half of our beef cattle industry in Western Australia relies on the live export trade. I think that trade is worth something like \$150 million a year. We have two beef livestock herds in Western Australia—namely, the southern herd and the northern herd. The northern herd has no avenue other than the live trade as a key market. Indonesia is clearly a key market for that. It has been a strong key market for agrifood products. That, however, does not understate or underplay the very challenging and confronting evidence shown on television last night of malpractice in animal welfare that has occurred in specific abattoirs, and where I can play a role in assisting with that—my office has already made contact with the federal minister's office to offer my assistance—I want to do so.

[9.40 am]

Mr C.J. TALLENTIRE: Following on that, I am keen to know —

Mr D.T. REDMAN: Mr Chairman, is this a new question or is this following on from the old question?

Mr C.J. TALLENTIRE: It is a related question.

The CHAIRMAN: This is a member asking a new question, minister. What is wrong with that?

Mr C.J. TALLENTIRE: I refer to budget paper No 3, page 780, item 4, market development. In the second dot point, mention is made of attracting investment in priority export market opportunities. On hearing from the minister about the scale of our live export cattle industry and how important the minister rates it, especially in the Indonesian market, I am interested to know how much resourcing is available for animal welfare inspectors to be involved in that market development. Are they involved; and, if so, how many full-time equivalent staff are used and how much in dollar value is put towards animal welfare inspection when the department is establishing or contemplating new market opportunities?

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Mr D.T. REDMAN: Through the Chair, when we are looking at market development, we have fairly significant resources going into market development. It is put down as a priority of the Department of Agriculture and Food, and I might add that goes right across the board in terms of market opportunities.

Mr C.J. TALLENTIRE: Point of order, Mr Chairman. Just to clarify for the minister, I am not interested in a discussion on market development; I want to know the animal welfare aspect of market development.

Mr D.T. REDMAN: I take the point the member makes. The question was related to market development, so I just wanted to point out that, in fact, that is a very broad topic. We do not put any resources, as I understand it, directly into animal welfare as it relates to market development in international markets.

Mr C.J. TALLENTIRE: Can I have clarification then, through you, Mr Chairman? If no resourcing is put towards animal welfare, is it then possible that the department is involved in creating export market opportunities that are putting Western Australian livestock in the sorts of cruel and horrific circumstances that we saw last night?

Mr D.T. REDMAN: It is an interesting line of questioning. Certainly as a department that is set up as an economic development agency, in recent times we have put more effort in post-farm gate activity, and a significant part of that relates to market development and looking at opportunities that present. I am assuming the member is talking about potential markets for livestock overseas, which makes up a fairly significant part of the income for the livestock sector in Western Australia. I just talked about the beef herd. The live export of sheep also is significant in underpinning the prices and the value of sheep in Western Australia, and when I have a chance to go overseas to talk to potential buyers, we are certainly in the forums. I was in the Middle East, and one of the discussion points there was around the export of livestock into a range of countries in the Middle East. Whilst I was there, I might add, I met with representatives of LiveCorp and representatives of Meat and Livestock Australia—groups that are playing a significant but sometimes challenging role in trying to improve the animal welfare standards in those destination countries. Clearly, we are having those discussions from the point of view of the threat that that poses to the livestock sector, and it certainly is a threat. Evidence like that put forward last night is very, very confronting and is indeed a challenge that the industry needs to take up and meet. So, those are the sorts of discussions I have. If the member is talking about me specifically and saying that I should not be promoting livestock from Western Australia into specific markets on the basis of their animal welfare standards, those are points of discussion amongst a range of other points of discussion about market opportunities for Western Australian livestock.

Mr C.J. TALLENTIRE: I take it then, from the minister's response, that no resources are presented in these budget papers that will be put towards ensuring that any overseas market development will be based on the sorts of animal welfare standards that Western Australians expect.

Mr D.T. REDMAN: A lot of market research looks at opportunities that present in overseas countries and, I guess, profiles those markets to see where future opportunities might lie and looks at some of the market intelligence from those countries. But I might highlight that we do not directly spend resources on animal welfare in overseas countries.

Mr C.J. TALLENTIRE: I think the minister is saying as well that no money is spent on inspecting the circumstances that our exported product will encounter when it arrives offshore.

Mr D.T. REDMAN: I just provide a little bit of advice here, which I think does highlight some activity that we do in this area. We employ a vet who gets involved with national standards around animal welfare, and who regularly meets with national counterparts to engage in national standards around animal welfare; and I am sure those discussions extend somewhat to our trade conditions. Can I ask the member to repeat the question he asked while I was taking advice?

Mr C.J. TALLENTIRE: When an export trade mission goes to, say, Indonesia, looking at the potential for exporting live cattle to a destination there, how many people on that team focus on the animal welfare circumstances that our cattle will face when they arrive in Indonesia?

Mr D.T. REDMAN: The trade missions that I have been involved with are not very many. I went to the Middle East, South-East Asia and China; so, effectively, I have been to three during my term as minister. They were not big delegations. There were no industry representatives there. In all three of those cases I think I was accompanied by the Director General of the Department of Agriculture and Food, maybe one other staff member from the Department of Agriculture and Food and another person from my office. They were not significant delegations. We, however, did meet with officials, both at an industry level and at government levels in other countries. I would not say that the profile of the delegation was one that had broad depth encompassing the whole range of industry-specific areas. But it was a very tight, small group targeting discussions with those countries to build relations such that we can support international trade. Of course, the discussion points go well

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outside livestock and present opportunities in the grain sector and in the horticultural sector. Indeed, because of our geographic location, I am sure the member will appreciate that our interest in Asia, and South-East Asia in particular being a near neighbour, may well present an opportunity for us. The whole notion of overseas trade is regulated by the Australian government. As a part of that, Meat and Livestock Australia and LiveCorp engage in a range of programs with international partners, and there is no direct role for states in that international arrangement. We certainly do, representing the Western Australian agriculture sector, engage where we can to develop those trade opportunities.

Mr C.J. TALLENTIRE: I have a further question.

The CHAIRMAN: Yes. The member should make this his last one, as he has already had three.

[9.50 am]

Mr C.J. TALLENTIRE: Minister, can I therefore characterise the market development role of the Department of Agriculture and Food for live animal export as one in which the minister is happy to find a market and flog the product, but no effort is really made to check on the suitability of the feedlots or slaughter environments that those animals will end up in?

Mr D.T. REDMAN: I thank the member for the question. On overseas trade of any nature, we work very closely with the Australian government because it has the core responsibility in that relationship; in fact, arguably, it has the prime responsibility in that relationship. We also work with industry to see what opportunities are presented, whether we are in a position to meet those opportunities, and, in fact, how much of an opportunity it is. We also engage in a range of ways at a local level with other states. For example, the northern Australia beef task force involves the Queensland, Western Australian and Northern Territory governments and, of course, the federal government. A whole range of policy positions are being discussed and settled, and we are clearly part of that discussion. There will be a meeting in June. The issue that the member is talking about will get significant debate. I struggle with the notion that, in my activities as minister and in looking at overseas market opportunities, I am in some way not cognisant of a whole range of issues that present themselves, including issues around animal welfare in destination countries and a range of other factors, not the least of which is the federal government's position with other countries on trade sanctions and so on. That sits around a wealth of international relationships, the finer detail of which I am not party to. We certainly reference ourselves, when we can, to the federal government in particular to ensure that my activities do not compromise its position internationally, and also, in that context, to try to work through opportunities that we can build on for Western Australian farmers.

Mr I.C. BLAYNEY: I refer to the asset investment program on page 782 of budget paper No 2 and the \$234 million for the redevelopment of the headquarters of the Department of Agriculture and Food. Can the minister provide us with some more details about this project, please?

Mr D.T. REDMAN: I thank the member for Geraldton for the question. One of the significant features of this year's budget was the decision to move ahead with the \$235 million commitment for the replacement facility for the Department of Agriculture and Food. There is \$186 million in the forward estimates and another \$48.5 million in this state budget. We are very keen to get on with business. We will be working immediately to decommission some of the current facilities. The redevelopment will be phased in over the next few years and, hopefully, will be completed by 2016. One of the significant points in the decision was to locate the facility at South Perth, which has been a shift from the position some 12 months ago, for a range of reasons. None of the reasons for the decision about the new site related to any issues with our relationship with Murdoch University. We have a very strong relationship with Murdoch University—in fact, I will be out there this afternoon—on a range of fronts, including research and development and other programs. The decision to move to South Perth was made because it will be much more cost-effective, with a saving of something like \$26 million over the forward estimates. We will be on our own land and will be able to transition the shift in a much more manageable way. It is quite close to the city and is also close to Technology Park. In recent times, we have looked at opportunities for commercial relationships with other entities, and having Technology Park close by means that we will have the opportunity to build those relationships. With groups such as Intergrain, perhaps a Western Australian node of the Australian Centre for Plant Functional Genomics, which is based in South Australia, is another relationship opportunity, and I think Technology Park offers that space.

There is a chance to retain some of the better facilities such as glasshouses. With minimal investment, those facilities can meet the highest of standards. Our capacity at South Perth to ease that transition will make it a more palatable site. Collectively, we will be in charge of our own destiny in terms of where we go rather than being on a site that might be impacted on by the decision of another organisation. There will be new facilities, new headquarters, new laboratories and new greenhouses. It will also incorporate the Australian Export Grain

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Innovation Centre, or AEGIC, which is Western Australia's flagship of support for the national framework for research and development in the grain sector. Again, we are working very closely with the Grains Research and Development Corporation and are looking for its supportive resources to have input to those programs. I feel very proud of the fact that we have made that decision.

The member has highlighted a range of agricultural issues with me, but, unless we have a state-of-the-art facility to house a department that is refocused and is centred as an economic development agency, we will be underdoing agriculture in Western Australia. I think this investment will be significant. The current facility is substandard. It is the wrong image for agriculture. How the heck are we going to support new scientists and people at the cutting edge coming to Western Australia and to support what will be and is a thriving industry in Western Australia?

The CHAIRMAN: I refer the minister to this statement at the start of the division —

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.

Ministerial statements can be left for Parliament. What we are looking for is answers to the questions. I give the call to the Member for Maylands.

Mr D.T. REDMAN: I thought the last question was a pretty long one, so I thought it was a chance to —

The CHAIRMAN: Minister, I am running this session. If the minister wants to question the Chair, he can. The member for Maylands.

Ms L.L. BAKER: I refer to the line item "Improving Animal Welfare in Western Australia" on page 773 of budget paper No 3. Can the minister let me know how many abattoirs, feedlots and saleyards there are in Western Australia?

Mr D.T. REDMAN: Member, I would like to take that question on notice. I am certainly happy to provide that information on the profile of abattoirs, feedlots and—what was the last one?

Ms L.L. BAKER: Saleyards, slaughterhouses, abattoirs and feedlots. Given that the minister's department will now be managing the welfare of the animals in them, I think it would be a good thing for the minister to know how many there are.

Mr D.T. REDMAN: For clarification, I am happy to provide to the member by way of supplementary information the number of abattoirs, feedlots and saleyards in Western Australia.

Ms L.L. BAKER: Slaughterhouses and saleyards.

Mr D.T. REDMAN: Is the member talking about the ones that are currently active or the ones that are there but are either shut —

Ms L.L. BAKER: The ones that require policing at the moment.

Mr D.T. REDMAN: The ones that are active and have livestock moving through them.

Ms L.L. BAKER: Correct, or any that might be going to open that the minister knows about.

[Supplementary Information No B2.]

Ms L.L. BAKER: The minister has mentioned the 14 new general inspectors who will be employed and trained. Will all of them be trained in recognising a downer animal and the other issues around what animals face in transport? Is that the kind of training that the minister is talking about?

Mr D.T. REDMAN: There are specific standards that a general inspector, which is the term used in the act —

Ms L.L. BAKER: This is specific, though, minister.

Mr D.T. REDMAN: Yes, there are specific training requirements. I will ask the executive director for livestock or the director general to make a comment in a moment. People need to meet the formal requirements of training so that they are sufficiently qualified to support the act and to respond to issues raised under the act. The point was made earlier that this government has made a significant decision to double the resources going into animal welfare, which is a good news story from an animal welfare perspective in Western Australia. We work nationally on developing agreed standards, but we also work in a very proactive extension manner in ensuring —

[10.00 am]

Ms L.L. BAKER: Will they be trained in recognising the dangers of transporting animals and trained in the animals' welfare? It is a highly specialised area; it is not generic training.

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Mr D.T. REDMAN: Yes.

Ms L.L. BAKER: I thank the minister. I am aware that animal welfare units in local government have, for some months and years, worked to put together a number of extraordinarily high profile, expansive and expensive cases that will hopefully be transferred over for the Department of Agriculture and Food to pursue and, if warranted, to prosecute on behalf of the animal welfare units. What assurances can the minister give us that the cases currently in hand will come to the Department of Agriculture and Food? Regardless of whether they include prosecution of farmers or anyone else, will they be continued by the Department of Agriculture and Food?

[Ms A.R. Mitchell took the chair.]

Mr D.T. REDMAN: I highlight to the member that neither I nor the department presently have carriage of the Animal Welfare Act 2002, nor are we currently responding to issues that are out there, so my knowledge and the knowledge of the director general of what activity is happening out there is limited. I can only assume that, in taking on responsibility for the act from 1 July, any activity that is currently underway in a regulatory or legislative sense will be picked up by the Department of Agriculture and Food.

Ms L.L. BAKER: I have one further question. Given that the department is taking over responsibility for the Animal Welfare Act in its entirety, I note that the minister keeps using the word “livestock”, which does not equate to the word “animal”; the minister is talking about a completely different field. I am a little concerned that the minister interchanges those words when talking about the department’s carriage of the Animal Welfare Act. Indeed, I think that Western Australians are also confused and worried about that. Will funding for the RSPCA now come through the Department of Agriculture and Food? Yes?

Mr D.T. REDMAN: I did not think I said anything!

Ms L.L. BAKER: How does the minister resolve the conflict of interest in that the RSPCA and the Department of Agriculture and Food have fundamentally different policies for the treatment of animals? For instance, the RSPCA runs active campaigns against live exports and mulesing, whereas the Department of Agriculture and Food is actively engaged in finding ways to continue both those practices. How will the minister resolve that?

Mr D.T. REDMAN: I will go back to a couple of earlier questions the member asked; I have just about forgotten the first ones, because there was a heap there! I referred to livestock in my comments rather than broader animal welfare issues because the questions were directed to the livestock sector. The questions I picked up were about the live export trade; hence that was the context of my position. The member is quite right: we are taking carriage of the full gamut of responsibilities under the Animal Welfare Act, which includes companion animals and the whole lot in Western Australia. I think we stand on the position in this budget, which actually doubles resources into animal welfare, so I think the member should be satisfied that, compared with the performance of the previous government, this government has indeed put significant resources into animal welfare, including, as she rightly said, support for extra activities through \$250 000 to the RSPCA. The department already has a strong working relationship with the RSPCA, and from 1 July that relationship will be more formal. In terms of formal responsibilities, the member will understand that the RSPCA has responsibilities and is entitled to inspect and look at whatever it likes; there is nothing in our decisions to constrain the RSPCA’s choice about where it deploys its resources, other than the fact that it will have, as I understand it, some sort of agreement with government, as do all organisations that receive government funds, about the services it will supply as a product of that. The member made the point about reconciling the positions of the RSPCA and the government, acting on advice from the Department of Agriculture and Food. We will be responsible for the Animal Welfare Act, and we will be responsible for responding to the legal settings and legal parameters provided by the Animal Welfare Act 2002, just as the Department of Local Government has been and will be until 1 July 2011. Are we responsible for the act? The answer is yes. Are we responsible for all the legislative requirements of the act? Yes.

Mr I.M. BRITZA: At the bottom of page 782, under the heading, “Statement of Cashflows”, mention is made of the distribution of funding to the shires of Katanning, Plantagenet and Boyanup. I wonder whether the minister can expand on what exactly that funding is for.

Mr D.T. REDMAN: I thank the member, and I note his interest as a city member of Parliament in the advancement of the livestock sector and the Liberal–National government’s investment in it. The first decision we made was the decision to build the \$55 million Muchea saleyards. We also announced, in last year’s budget, funding of \$21.5 million for regional saleyards in Katanning, Mt Barker and Boyanup. The bulk of those resources—\$17 million—is going towards construction of a brand-new sheep saleyard in Katanning. That saleyard is certainly crucial to the sheep industry and to supporting the economic base of Katanning; that was clearly one of the reasons that Katanning was pushing very hard for support facilities out there. As I understand

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it, they are progressing very well and will be located near a Department of Agriculture and Food research station. I was certainly not comfortable with the shire's early decision to locate the facilities adjacent to the town; I think there would have been potential long-term issues there. The Shire of Katanning will continue to own and operate those new facilities. The committee overseeing the project met for the first time last month and, after years of delay, we now have something happening. I think the member should be very proud to be part of a government that is making those decisions.

There is \$2.3 million to support debt reduction for the Great Southern saleyards in Mt Barker. Again, these are significant saleyards for the livestock sector in Western Australia. The Shire of Mt Barker will maintain ownership and management of that facility. Releasing some of its debt has allowed it to deal with the upgrades necessary for meeting full occupational health and safety and animal welfare standards at the saleyards. There has been a fair bit of discussion about animal welfare this morning, and I highlight the fact that, because we are contributing to the construction of significant saleyards in Western Australia, we can meet the highest level of animal welfare standards for livestock handling. That fact is sometimes lost in the discussion around this investment. It is a facility for selling livestock and for supporting the trade of livestock, but it also supports occupational health and safety standards for staff and animal welfare standards.

There is also \$2.2 million to kick-start replacement of the Boyanup saleyards. I recently attended a dinner with the Beef Council, and it is excited by some of these investments. It will no doubt provide advice to me about some of the options that we need to look at in supporting saleyard development in Western Australia. I thank the member for the question. We have certainly made some significant investments in agriculture, which is something we should be very proud of. Investments in saleyards are some of the pinnacle investments we have made.

Mr M.P. MURRAY: Following on from what the minister has been talking about, I refer to the sixth dot point on page 775, which refers to increasing urbanisation. What financial assistance has been given to the proposed red meat industry precinct in Burekup? I heard what the minister said about \$2.2 million for the Boyanup saleyards. Is that part of the proposed saleyard, abattoir and lot feeding complex that will be right next to the town of Burekup? What financial help is being given? Is part of the \$2.2 million going towards that?

[10.10 am]

Mr D.T. REDMAN: The \$2.2 million was a part of resources to look at an incentive to encourage potential private investment into new saleyards to replace the Boyanup facility. That is happening and is progressing through the department in discussions with industry. Quite separate to that is the notion of looking at a south west agrifood processing precinct. In essence, that is a private development. A steering committee, which I understand is chaired by Hon Paul Omodei, has been working very diligently in response to industry's calls to look at new processing facilities to provide a bit more competition in that marketplace. That is a principle I absolutely support. The lead agency supporting that work is the South West Development Commission; and, of course, the department is playing a very close role with advice. We are not in the position of providing any resources to that development —

Mr M.P. MURRAY: No financials whatsoever?

Mr D.T. REDMAN: The investment around the saleyards is happening separately. I have said in a few forums that the saleyard development may line up with a processing precinct, and one of the two good decisions may be to co-locate to where the saleyard is potentially one of the tenants in an agrifood precinct. If it does not fall that way and the industry decides for a range of reasons that other options are better, we should not lock ourselves into that position. In essence, it is a private development that has called for expressions of interest to look for parties to do that. It may be that in the future the government will play a role, but first we have to define the site and confirm that that is the site they want to progress. The member for Collie-Preston would have been involved in some of those community discussions that have raised issues about suitability. I understand they have been putting a lot of work into community consultation to get to an outcome. I am advised that the Department of Agriculture and Food has funded a due diligence study on the site with the South West Development Commission, so there has been —

Mr M.P. MURRAY: That is bit different from what the minister said previously. The minister's information should have been a bit quicker than that. It does not give me a great deal of confidence in where this is headed.

Mr D.T. REDMAN: If the member is talking about purchasing land and putting resources into transport and so on, the point I made earlier is sound. Funding a due diligence study over the site is playing a supportive role, and I did say that we were playing a supportive role. Staff of the Department of Agriculture and Food are engaged in that planning process with that steering committee. If the member is talking about resources, the department is engaged in that process and is playing a supportive role.

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Mr M.P. MURRAY: I have a further question on that. I am now totally confused because of the minister's backtracking, one minute saying he was involved and another minute saying he was not. I understand that the minister has said there is funding for the chair of the new committee. Also, the minister has said that it is my job to sell the project to the people of Burekup. Has a decision been made already? What community involvement will be allowed? Previously, the due diligence process did not allow community input and the community representative who is on the committee has not been elected but was appointed.

Mr D.T. REDMAN: The membership of the committee has nothing to do with me. Effectively, this is a private group getting together to work out —

Mr M.P. MURRAY: It was financed by the South West Development Commission and now the Department of Agriculture and Food.

Mr D.T. REDMAN: —how it will respond to an industry need. What they are doing —

Mr M.P. MURRAY: Your department has —

The CHAIRMAN: Member for Collie–Preston, will you let the minister respond?

Mr D.T. REDMAN: Essentially, this is a private group supporting industry's desire to set up and locate a south west agrifood processing precinct. I absolutely support it in its endeavours. Through government and the Department of Agriculture and Food, I am playing a supportive role. The development commission is the lead agency. The government has deployed some resources to support things like a due diligence study around that. Indeed, it might be that down the track we play other supportive roles, as government does, for example, through the royalties for regions program, to provide an enabling environment to support industry to come in and be developed so that people can make those financial decisions to put those facilities in the south west. This call has been out there for some time. The Burekup site has presented an opportunity, and the parties are going through processes to land that development. We are playing a supportive role in a strict sense. Are we deploying resources? Absolutely, because we are playing a supportive role with the development commission; however, we have not made any decisions to inject funds, which I thought was the tenet of the member's first question because he made reference to the \$2.2 million for the replacement Boyanup facility. The tenet of the member's question was whether the government was putting money into that. We are not, as they are quite separate processes. However, we are playing a supportive role, and quite rightly, in my opinion.

Mr V.A. CATANIA: I refer to "Major Spending Changes" on page 773 of the *Budget Statements*, which lists the Carnarvon growers flood recovery scheme. I thank the minister for his support for and efforts in getting flood recovery payments, particularly for the growers, up and running. Many growers are very appreciative of the minister's support and help through some very tough times, which they will continue to experience for a while to come. Could the minister elaborate on the much-needed assistance of topsoil replacement under the flood recovery scheme to get growers back on their feet and growing so that they can earn some income?

Mr D.T. REDMAN: I thank the member for North West, who was very close to the flood that went through Carnarvon.

Mr F.M. LOGAN: Not close enough!

Mr D.T. REDMAN: The member was very close indeed. I remember taking calls from the member for North West saying that the floods in Carnarvon would be unprecedented, and they played out exactly that way. That is one of the reasons this government has responded, from an emergency response perspective, in an appropriate and timely way. In terms of flood works, the role that I played as minister was consistent with what has happened under other governments. We made the decision to put a budget of \$3 million towards soil replacement work. It is never an easy process, as the member knows, when resources have to be deployed in an attempt to get land back to where it was. I do not think the land will ever be the same as it was because, as a result of the series of floods that have been through Carnarvon, there has been a net shift. Indeed, the minute any government puts resources on the table to respond to a disaster, it is always very challenging. On a couple of occasions, at the invitation of the member for North West, I visited a number of growers—in fact, I am going up there again pretty soon—to talk about these issues. Recently I had a look north of the river at some washouts, and I have expressed my interest in supporting that work. Again, we have been able to respond and get that land back into production. There were a couple of near misses in later floods, and hopefully the risk has passed following the end of the cyclone season. This area produces \$80 million or \$90 million worth of produce every year. We fully support this group. In another forum I am sure the member will be asking questions about this government's support, in part, for the flood mitigation works that will be necessary to give a measure of protection not only to the community, but also to horticulture in the Carnarvon district. I thank the member for the role that he played at that time.

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[10.20 am]

Mr C.J. TALLENTIRE: I refer to the expenditure of the agency on climate change-related matters in two parts. How many staff are working on —

Mr D.T. REDMAN: Which item in the budget papers is the member referring to?

Mr C.J. TALLENTIRE: I am referring to the details of controlled grants and subsidies in budget paper No 2 on page 792. There is a series of expenditure there relating to dry season assistance, the climate adaptation assistance scheme and other —

Mr D.T. REDMAN: Is the Rural Business Development Corporation on page 792?

The CHAIRMAN: Yes, it is.

Mr D.T. REDMAN: That is another division, member.

Mr C.J. TALLENTIRE: I refer therefore to the first dot point on page 775, which refers to six poor seasons over the past 11 years and the agriculture and food industry's adaptability. Can the minister outline how many staff are working on looking at the effects of climate change impacts in a physical sense on the agricultural regions, and outline what analysis is being done on the economic impact?

Mr D.T. REDMAN: The question refers to the very challenging seasons we have been through and the unprecedented season of 2010. I think the government, through the Department of Agriculture and Food, stands on a very good record of response to that in not only our direct advice response to those challenges in deploying the resources we needed to help people through those more acute issues, but also, whilst it was not directly an acute response to those challenges, having the drought pilot in place in this current financial year. We have been successful in this budget in extending that into the following financial year. A key part of that has been the Centrelink support for those in most need.

We would have to provide an estimate of staff working on that sort of activity. I am assuming the member is talking about predicting weather and climatic shifts. A lot of adaptation work is done within the agency. I think the tenet behind my desire to see a shift in drought policy response—we are in negotiations with other states and the federal government on that matter—is centred around the fact that we are expecting a greater level of volatility in climate in some of the areas that will be hot spots in the north eastern agricultural region, and the south west.

Mr C.J. TALLENTIRE: To be very clear about the question, I am keen to know how many staff in the Department of Agriculture and Food look at the impacts of climate change in a physical sense and how many staff look at the economic impacts that result from those climatic changes.

The CHAIRMAN: Minister, are you clear on exactly what information is required?

Mr D.T. REDMAN: Yes, I am happy to provide supplementary information. There is not a clear definition showing that one person does one thing and one person does not. We will provide a good estimate of activities within the agency and an explanation around the numbers.

Mr C.J. TALLENTIRE: I think I am being quite tolerant in allowing the answer to this question to be provided by supplementary information. I would have thought that, as Minister for Agriculture and Food, the minister could say what the impact of climate change is on the agricultural sector. I thought that would be a figure he could reel off.

The CHAIRMAN: I would like to get clarity of the supplementary information to be provided.

Mr D.T. REDMAN: What the member for Gosnells is talking about has some challenges and a very wide context in terms of making the distinction between seasonal variability and long-term climate change.

Mr C.J. TALLENTIRE: There are all sorts of ways around that. It is done at an international and national level. I think in Western Australia the Department of Agriculture and Food should know what the potential impacts of climate change are, with perhaps modelling for different changes. But we need a clear indication of the impact on agriculture production in the state of Western Australia. To do that, we need people in the minister's agency to be working on it. The minister should be able to tell me who the people are or, at least, what sort of resourcing he is putting towards looking at this in both a physical and an economical sense.

The CHAIRMAN: Is the minister agreeing to provide supplementary information?

Mr D.T. REDMAN: Yes, on the clarity around staff in the agency who are working on climate change-related activities. We will put some clarification around those numbers to give the member a clear understanding of

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exactly what is involved. With regard to the activities within the agency, it is involved with the drought pilot, which is our negotiations with the federal government —

Mr C.J. TALLENTIRE: With respect, minister, this is not what I am asking for.

Mr D.T. REDMAN: I understand. But if the member is talking about the overlap, that is about building resilience. It is about the farming community —

Mr C.J. TALLENTIRE: That is the adaptation; that is fine.

Mr D.T. REDMAN: But member, if we are going into a cycle of climate change in certain parts of the agricultural community, we need to arm —

Mr F.M. LOGAN: Climate change sceptic—it is just a cycle, is it?

Mr D.T. REDMAN: Point taken. I used the word “cycle” poorly. We are going through climate change; that is happening. Areas in the agricultural community will be hard hit by that. We need to arm and prepare and build capacity in the farming community to respond to and deal with those challenges. The drought pilot there has a very direct relationship with that long-term capacity building. In the context of the member’s question, staff who are involved with that could arguably be directly involved in areas touched on by the question he asked. We have some more acute responses to the dry seasons, which seem to be a greater pattern now. Again, arguably this is building capacity and building responses in the community. There is the north eastern agricultural region strategy, which, again, highlights the challenges of farming in some of those more marginal areas in the northern eastern ag region; a special program around grains resilience, headed by Peter Metcalfe behind me; and seasonal forecasting activities—the website on DAFWA shows some forecasting facilities that we have enhanced to try to provide better information to be at hand in a way the farming community can use to make good decisions going forward. We have put in place a range of industry economic planning days and so on to arm the agricultural community to deal with these challenges.

The tenet of the member’s question is climate change. In all those points I raised, those people, in some form or another, are related to work around climate change in Western Australia.

Mr C.J. TALLENTIRE: The minister was referring to the pages I was asked not to refer to. The drought pilot scheme is in the Rural Business Development Corporation area of the papers. I note also that the drought pilot scheme has received a drop in funding from \$4.3 million to \$3.8 million.

The CHAIRMAN: I would like to wrap up. Is the member for Gosnells seeking supplementary information?

Mr C.J. TALLENTIRE: I think the minister has outlined the supplementary information. Would you like me to clarify it, Madam Chairman?

The CHAIRMAN: I am asking whether the member is expecting it.

Mr C.J. TALLENTIRE: I am expecting it, yes.

The CHAIRMAN: For the final time, I think we are clear on what information, with clarification, is being provided.

Mr D.T. REDMAN: Yes.

[*Supplementary Information No B3.*]

[10.30 am]

Mr F.M. LOGAN: I refer to the income statement on page 783 of the budget papers. Is the minister happy that he is bringing to this Parliament a set of budget papers —

Mr D.T. REDMAN: What is the member referring to?

Mr F.M. LOGAN: I refer to the income statement on page 783.

Mr D.T. REDMAN: Is the member referring to the whole page?

Mr F.M. LOGAN: Yes; it is a balance sheet. Is the minister happy that he is bringing to this Parliament and this committee, and asking for endorsement of, a balance sheet that shows his department in deficit in 2009–10, in this current financial year, in the financial year that is coming and in all the out years? The reason the department is in deficit is that the minister has not stood up for this department and got extra funding. If the minister wants me to point him to the specific line item, I will, but I am sure that, as the minister, he knows it.

Mr D.T. REDMAN: The tenet of the question is my capacity to stand up and make decisions for the sector —

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Mr F.M. LOGAN: No, the tenet of the question is that the minister is coming to this Parliament and appearing before this committee and asking us to endorse a deficit budget for his department.

Mr D.T. REDMAN: As I understood it, this committee is to ask questions about the budget papers.

Mr F.M. LOGAN: No, it is to examine the budget papers —

Mr D.T. REDMAN: The appropriation bills that go through the house are members' endorsement of the appropriations of the state. This is the process in which members ask questions about the budget decisions that we make.

Mr F.M. LOGAN: We do not need the minister's advice about how this committee works. The minister appears before this committee to answer questions and to have the budget papers examined. That is what we are doing. This is the minister's departmental balance sheet, and I ask why the minister brings a deficit budget paper to this committee to be endorsed. That is what we do.

The CHAIRMAN: Therefore, the question is that final part without the extras.

Mr D.T. REDMAN: It is my understanding, member, that we do not and have not put up a deficit budget. I understand the income statement. The member is looking at the bottom of the income statement, which shows deficit figures. I will have to, by way of supplementary information, provide the reasons why those are such. The director general is quite right in saying that on that balance sheet are not only government funds through the consolidated account, but also external funding from other sources. Significant external funds come into the agency, as the member, as a former minister, would have known.

Mr F.M. LOGAN: Which would make the minister's budget paper worse had he not had them!

Mr D.T. REDMAN: In his question, the member made a point that referred to my capacity to stand up for the sector and to be able to respond to the industry. I think that my record has stood the test of these two and a half years; certainly, it is well ahead of the record during the previous government's term. It had eight years in which it simply did not make the investments and decisions. The previous government was noted for its indecision, which comes out in the house in the commentary of members opposite. This government has made some of the most significant capital decisions on agriculture that any government has made for more than a decade. We have made decisions about progressing the agricultural sector by supporting it with technology. We have made decisions about saleyards. We have made decisions to look at the Department of Planning and its engagement with agriculture. We are making —

Mr M.P. MURRAY: All of which we put in progress!

Mr D.T. REDMAN: We are making a whole range of decisions, member. The previous government, when it came to agriculture, quite frankly, sat on its hands in its term of government. In the Assembly recently, in response to a question, I put forward the capital investments in agriculture that we have made. I hardly saw the bar get off the ground level for the investments that members opposite made during their term of government.

Mr F.M. LOGAN: Madam Chair, further to that —

The CHAIRMAN: Are you requesting supplementary information?

Mr F.M. LOGAN: I did not ask any supplementary questions.

The CHAIRMAN: Okay, fine; that is all right. We will move on.

Mr F.M. LOGAN: I am waiting for the minister to respond to my question. He should know this. I refer the minister to the line item "Service appropriations" in that balance sheet under "Income from State Government". The minister should look at the decrease proposed for this financial year as opposed to both the budget and the estimated actual figures for the last financial year. He should also look at the decrease in the funding in the out years. This is about the minister's choice to argue for more money for his department. It is not the department's problem; it is not the government's problem. This is about the minister going in front of cabinet to seek further funding for his department. That is what that line item is about, and it shows a decrease for this current financial year and a decrease in the out years, leading to a continued deficit for this department. Why does the minister not stand up for his department and get some more money for it?

Mr D.T. REDMAN: I wonder whether the member, given that he sits so close to me in the chamber, actually recalls the response I gave and the graph I showed about the investment decisions that this government has made. I think that we stand on our record. The member is referring to the shift in budget estimates. I will give the member an idea of some of the complexity that sits around that in the member's question. There are changes from year to year in the state's natural resource management programs. Again, that has an impact based on how much the commonwealth puts into a range of programs. A severance and redundancy program went through the

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last budget, which we had resources for specifically. We have resources going towards our farm business planning negotiated with the federal government. We have the —

Mr F.M. LOGAN: Minister, I know how this is put together.

Mr D.T. REDMAN: Excuse me, member.

The CHAIRMAN: Member for Cockburn, we will give the minister a chance to respond to the question.

Mr D.T. REDMAN: We have some accounting in there for the Carnarvon natural disaster relief response. The administration of the Animal Welfare Act, again, is a shift and a reason why some of those changes occur. The new crops for the new climate environment facilities were put in place, and the recurrent funding around that is, again, a shift from last year. There was the transition of the Agriculture Protection Board of Western Australia to the Department of Agriculture and Food. The agriculture initiatives that we put in place last year —

Mr F.M. LOGAN: They have given the minister a paper to read out!

The CHAIRMAN: Member for Cockburn! Excuse me, minister —

Mr D.T. REDMAN: I am trying to respond to the member.

Mr F.M. LOGAN: Those should come off the top of the minister's head.

The CHAIRMAN: Member for Cockburn! This is a question time, not a debate time, please.

Mr D.T. REDMAN: I take offence to the notion that the member can ask a very simple question and then point the finger and say, "What have you done?" I have gone through a process to highlight some of those changes on that balance sheet and some of the decisions that sits around them. It is based on a very simple question that incorporates federal funding and how that cash flows through the system, which has an impact on those points that the member made. I think that this government stands on a darn good record for its contribution to agriculture and raising the profile of agriculture in Western Australia. In its term, the previous government did nothing.

Mr F.M. LOGAN: Rubbish!

Mr D.T. REDMAN: Give me three things that it did!

The CHAIRMAN: Members, this is not a debate. This is a question-and-answer time, and the idea is to get through as many questions as we can. It is not a debate and we are not achieving what we set out to achieve in this session, so I will now move on to the next question. I suggest that we bring the business back to the order of the day.

Mr M.P. MURRAY: My question relates to page 777, so we need to go back a slight way. The budget shows that the expectation was that from 2009–10 to 2010–11 there would be an FTE increase of 52, but instead there was an FTE fall of 20.

Mr D.T. REDMAN: Which dot point is the member referring to?

Mr M.P. MURRAY: On page 777, under "Land Management". It is the line item "Employees (Full Time Equivalents)", which is about three-quarters of the way down the page.

Mr D.T. REDMAN: Yes.

Mr M.P. MURRAY: There was a turnaround of 72 FTEs in that period. How did the minister get it so wrong? Is that another mistake or is it the minister's true projection?

[10.40 am]

Mr D.T. REDMAN: I highlight again some of the background to some of the shift. This is our attempt to align the FTEs and resourcing with the agency's key services and key efficiency indicators. I have had a long-term issue about the effectiveness of these indicators as a measure of performance, but that is a debate for another day. If the member wants me to make some comment on that, I am happy to. Those figures and shifts respond to a number of things. They respond to the amount of external funding that comes into programs, such as funding from universities or the Commonwealth Scientific and Industrial Research Organisation or other groups, and when those programs start or come to an end, that is when contract staff either come on or go off. The amount of funding from external sources is a factor, but it is not directly related to our own appropriations.

Of course, the other factor is internal decisions made around the priority of deployment of those resources. If a decision is made to shift a resource to do more work on post-farm gate, for example, in the area of market development or resources that we need to put into market intelligence and things like that, then, effectively,

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resources are being shifted that may well have been in land management prior to that. Those internal decisions about priorities affect this figure.

Mr M.P. MURRAY: Minister, the question was: how can it have been so wrong? Surely the budget expectations of what is coming in and what is going out must have been tighter than that huge change.

Mr D.T. REDMAN: Is the member saying that we should be able to predict staffing from one year to the next in a particular section of the department, given that we are an agency, under the leadership of the director general, that is going through continuous change and improvement to deliver services to the agricultural community? We have made efforts to predict that figure for the forward estimates—they are an estimate—and that is no different from how the Labor Party did business when it was in government. We use our best efforts to predict what things are going to look like down the track, but from time to time there may be significant shifts. Through this process, we will be held to account when there have been significant shifts, and members can, quite rightly, ask questions on notice.

Paragraph 3 at the foot of page 777 states —

Budget and investment changes resulting from the Department's transformation distort the current suite of indicators. New performance indicators will be introduced for the 2012–13 financial year.

Mr M.P. MURRAY: So the question is: can we believe this year's figures if we could not believe last year's figures?

Mr D.T. REDMAN: Madam Chairman, prior to answering the next question, I want to finish off answering this one.

The CHAIRMAN: Certainly. Member for Collie–Preston, you will have the opportunity for further questions.

Mr D.T. REDMAN: We are making an effort to deploy the department's resources and its appropriations to make a difference in the sector.

Mr M.P. MURRAY: So the figures are rubbery?

Mr D.T. REDMAN: We are engaging with industry on a range of levels to achieve that; the agency is going through a transformation process, which is something that, in my opinion, needed to happen. As a product of that, two things may occur. There may be some shift in that resources may be deployed from one area to another. I would have thought the member would have supported the principle of continuous improvement—that is what we are engaged in. I actually have some concern about these sorts of measures and how well they actually reflect the agency's performance. I think there is actually scope to improve them.

Mr F.M. LOGAN: Why does the minister not put some more money in it then?

Mr D.T. REDMAN: We have made this shift. I am sure the member knows, because he is the one with a bit of ministerial experience over there —

Mr F.M. LOGAN: A little bit longer than the minister's.

Mr D.T. REDMAN: — that more money is not necessarily the simple answer to fixing things. A whole range of things can be done, including putting effort into ensuring that the resources available are used in an efficient and effective way to make a difference.

Mr F.M. LOGAN: You are the minister; he is the director general.

Mr D.T. REDMAN: Absolutely.

Mr F.M. LOGAN: The minister goes in and asks for money; he runs the show.

Mr D.T. REDMAN: I am not absolving my responsibility; I am making the point that the member knows, having been a minister, that effective decisions can be made that do not cost anything.

Mr F.M. LOGAN: Yes, but the minister is trying to be a bureaucrat instead of a minister.

Mr D.T. REDMAN: No, the member's simple response was to put more money in, and that is not necessarily going to have a better outcome.

The CHAIRMAN: Member for Cockburn, you are not asking the question; the member for Collie–Preston has asked the question. Yes, you might have been brought into it a little.

Mr F.M. LOGAN: He addressed me when I interjected.

The CHAIRMAN: No, you did not need to respond. I would like to keep moving with the question from the member for Collie–Preston. Do you have a further question, member for Collie–Preston?

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Mr M.P. MURRAY: The real concern I have is about the department waxing and waning along the way with no due regard to people who may be making a decision about their lives. The director decides to have so many full-time equivalents in a year and people are taken on, and then all of a sudden there is a change of direction because the department has not been able to forecast which way it is going or how it will go forward. That is the real issue. All of a sudden these people are either redeployed or made redundant because contracts have finished. That is the issue. Is the minister going to ask his department to be a lot tighter and specific on FTEs in the future? Rubbery figures do not help people with life decisions.

Mr D.T. REDMAN: I will ask the director general to make some comments on the strategic directions of the agency, because I think having some vision for what we are trying to achieve is significant to this process; I think we have been effective in landing a shift. The director general will make some comments also about these indicators and the efforts that have been made to look at indicators that perhaps might be a better indicator of the performance of the agency.

Mr R.J. Delane: I would just start with an explanation of the transparency. The department, under the leadership of the government and minister, has made some very substantial changes during the last year. There has been a significant reallocation and redirection of resources, which has translated into some difficulties in the key performance indicators. That has been made transparent in the last note for each of the sets of KPIs. Under “Land Management”, yes, there is an apparent shift in one direction; if the member goes to page 779, he will see that there is a completely opposite shift. This committee knows, from previous estimates hearings, that it is notoriously difficult to get effectiveness and efficiency indicators that deal, broadly, with the great diversity of work that the Department of Agriculture and Food is involved with, particularly as the department shifts direction to make sure that we can have the maximum impact through the sector and for the sector with the resources allocated to us. Then there will be difficulties from year to year in moving with continuous transparency of the indicators, when in fact we need to move to new indicators. Last year I think we indicated to this committee that we would be managing a transition of what we did and how we would be providing transparent indicators on that. We are right in the middle of that, and for 2012-13 we will be bringing a parallel set of new indicators to this committee so that members will be able to see exactly how we are measuring our performance.

Down below that, we run a project-management approach to our business, and I am happy to provide a briefing at any time about the indicators of performance that are used at the micro level. Our challenge is then to roll those up into a simple set of indicators that are able to be brought to this committee. We are driving that, and I am happy, through the minister’s office, to provide a detailed briefing on just how that is working.

We need to be agile, and we will continue to be agile. Members know that the sector is subject to major international and local pressures, and they will continue to evolve. For the department to play its role in having the most beneficial impact for the sector and on the sector, we will need to be agile and respond accordingly. That will mean that there will be continual challenges, through the indicators, to make sure that we are able to be fully transparent to the committee and have indicators that are meaningful.

Mr V.A. CATANIA: I refer to page 775 of budget paper No 2. Under the heading “Significant Issues Impacting the Agency”, the fifth dot point relates to land and water availability. I know that the opposition does not care too much about the Gascoyne because it took it four months to actually come up and see the flood damage that occurred in the December floods, but I think the member for Collie–Preston came once, finally. I know that the minister had been in Carnarvon on the day of the flood, and has been back probably another three or four times since, which shows that the minister cares about the region and the horticultural district. In relation to land and water availability in the horticultural district and the Gascoyne food bowl initiative, can the minister elaborate on how he sees the Gascoyne being able to expand its horticulture industry to be involved in overseas markets or how it can increase its market share in Perth?

[10.50 am]

Mr D.T. REDMAN: Thanks, member, and I thank him for his interest in the development of the Gascoyne food bowl initiative, which seeks to get the best opportunities for the Gascoyne area. That initiative has been going for some time, and it presents a lot of expansion opportunities for us, provided we can secure the necessary water sources. We have, over time as a government, been able to direct resources into the backbone lines for the farmers in the irrigation cooperative to ensure that they get the efficiencies that they need to deliver the outcomes that they want. I might add that the Gascoyne farming community has some of the most efficient farmers nationally and they stack up against any sort of measure. There are a couple of opportunities that present. One is the extension to the current horticulture area; I think it is some 400 hectares in the first instance. Part of the Gascoyne food bowl initiative through the consultative groups that have been engaged there with the farming community is about developing a strategy around that extension. I think in a different forum the member may

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ask questions about some of the royalties for regions resources that will go towards securing those extensions. Likewise, there is some new land available there provided sources of water can be secured to meet that need. I will go through some of the things that DAFWA has been involved with. The department is completing a drilling program in the Gascoyne irrigation area to identify new water and to provide a water supply to existing growers, as well as supporting an application for additional water for horticulture expansion. The department is currently pump testing the new bore field to gather data for water licences. The pump-test water was used to supplement the Gascoyne water supply during the recent drought. Of course, that was an opportunity that presented and we did not know that those conditions were going to present.

It is interesting that only four or five days prior to the flood that happened back at Christmas, the growers were calling for me to provide some assistance to seek out new water sources, and not that far away they got more water than they could poke a stick at! Of course, we have been providing executive support to the ministerial reference group there, and the agency has provided technical advice and support to the community reference group. We have also undertaken detailed soil analysis and recommended land parcels for future expansion. So, it is certainly work that government is doing to ensure that we have the best strategy for rolling out some of those future opportunities. Part of that is engaging very closely with the local community. There are resources, I think, from royalties for regions to support those initiatives. Some of the detail has to be worked up. Then, of course, there is a fair bit to be done to land the best uses of the resources we have to get the best outcome there.

In terms of market development, we have been engaged in a range of initiatives. Buy West Eat Best is a campaign we have supported in WA to brand Western Australian producers that produce Western Australian product. There are some very good examples in Carnarvon, not the least of which is the Sweeter Banana Cooperative—it has been very effective in that. In terms of accessing some of the Asian markets, there has been work on that front. The Growing the North initiative through the Department of Agriculture and Food is about looking at those production opportunities with a market focus and at the opportunities that present in the South-East Asian market in particular. There is also ongoing trade facilitation. So, I think there is a lot to look forward to in the Gascoyne region. They are very effective, efficient farmers now. They have been through some challenges, and we have responded to them. We are showing that this government is prepared to pave the way for extra resources to further develop those opportunities.

Mr I.M. BRITZA: I refer to page 780 under the heading “Market Development”. Can the minister explain why this is important and what the department has been doing in this area, please?

Mr D.T. REDMAN: I thank the member for the question. I think this highlights a recent shift that I have touched on before in this hearing around some of the shifts that have occurred within the agency. Centring the agency as an economic development agency means that with the resources that we deploy and the dollars that we spend, we want to make a difference. If we look at some recent trends within the agency, we can see that historically the Department of Agriculture and Food has done a lot of work behind the farm gate on getting the right varieties and the necessary agronomic work to ensure that people can get the best productivity they can out of the soil they have and the rainfall they get. But there has been a more recent focus to move beyond the farm gate. It is really important to have a very close look at that, and we are. There have been some very good examples in recent times of the resources that we have deployed to make a difference to the farming community and, in some cases, resources that are not terribly onerous. I use the example of our recent trip 18 months or so ago into Saudi Arabia. That is a country that has significant challenges with its water resources. It currently irrigates six million tonnes of wheat a year for its domestic market, and because of the significant draw on its water resources, it has decided to source from offshore up to six million tonnes of wheat for the domestic market. Historically, we have not had access to that market on the basis that we have not been able to meet the specifications it requires, such as protein and some of the loosely called “contaminants” that are in the grain profile that we need to get to that market. We have put a lot of time into sending our scientists over there to talk with Saudi scientists, and delegations have come back this way such that we can demonstrate to the Saudi market that our grain can be used and will meet its end needs. So, for the first time recently we have been successful in being in the game; that is, our farmers can tender to supply grain into the Saudi market. More recently, a shipload went out of Esperance into Saudi. That is the first shipload that we have sent there for 20 years. That is a very stark example of investment in post-farm gate activity that has actually made a difference for the farming community. It is not the traditional space to work in, but it is an area that has made a big difference. Members of the agricultural community are coming to understand, and in many cases at their direction, that work in this area is really critical to the further development of their agricultural opportunities.

The other point to make is that Western Australia is extremely well placed geographically. If I can quote what the Premier has said on a number of occasions, darned near 60 per cent of the world’s population is broadly within our time zone and, therefore, that is an opportunity that presents to us. If we are not engaged in the South-East Asian market, the China market, the north east Asian market and the Middle East, we are selling ourselves

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short of the potential opportunities that present. We have been effective in negotiating with those in the Indonesian market by getting them to understand —

Mr C.J. TALLENTIRE: Point of order. I am concerned that the minister is making a statement rather than answering the question.

The CHAIRMAN: Yes, minister, can you bring it to a conclusion?

Mr D.T. REDMAN: Through the Chair, I was making the point around the question, which was to do with some of the market and trade development success stories.

Mr V.A. CATANIA: Point of order. The opposition keeps making statements in questions, so there is no real question coming from it. I think the minister should be able to answer the question asked by the member for Morley.

The CHAIRMAN: I have asked the minister if he could bring the answer to the question to a close, as we need to move on.

Mr D.T. REDMAN: Thanks, Madam Chair. I will draw it to a close. I will just make a couple of closing points. One is our success in ensuring that the Indonesians understand that we can in fact supply grain that meets their end-use needs; lupins being an opportunity for their tempeh market and one of the staple foods for Indonesians. Likewise, I recently was in Edith Cowan University where I opened a malt barley facility. This is a facility that can use relatively small amounts of barley to demonstrate its capacity to produce a malt that meets an end-use need. Usually it has to go into 300 tonne lots to do it, but this facility can do it in relatively small amounts. It is a very effective strategy for us to do market research and demonstrate to an end-use market that we have got grains that meet the standards in order to meet those end-use needs without putting out lots of resources to do so. It would be worth a visit to it. It was the first time I had a beer in my hand while I was opening a facility, but it was good fun!

The CHAIRMAN: Minister, we will have one more question from the member for Gosnells and then I think, being conscious of the time, we might bring division 64 to a close very soon. I give the member for Gosnells the last question.

Mr C.J. TALLENTIRE: My question concerns funding for natural resource management activities. I note the \$11 million reduction mentioned on page 782 and the fact that that is said to be due primarily to a reduction in activities related to natural resource management. I would like the minister to explain, firstly, how much money is going to the state's natural resource management groups. If he could give me a breakdown, that would be appreciated. Secondly, could he also, in terms of natural resource management, explain the table on page 776 and the very low numbers of properties or land managers that are included in the table, and why the numbers are so low? Is it because of budgetary constraints? Can the minister explain why the targets have not been met in a number of areas, including the important ones of agronomy practices and resource monitoring?

[11.00 am]

[Mr M.W. Sutherland took the chair.]

Mr D.T. REDMAN: I thank the member for the question about the natural resource management programs. From my memory of previous budgets, I think we had \$30 million in our first budget specifically for NRM. I highlight that, under my lead with the other NRM ministers, that funding is specifically for resources for a range of programs on top of the NRM activity conducted by agencies. A number of agencies have responsibility in that space, not just the Department of Agriculture and Food; the Department of Environment and Conservation, the Department of Water and others also have an NRM responsibility. The Department of Local Government probably extends to that level as well. There was \$30 million in our first budget and there was \$10 million in the forward estimates in subsequent budgets. Those resources have been deployed at a number of levels. A lot of those resources go to small groups. As the member knows, there are some very effective Landcare groups that are extremely passionate about their particular catchments, including groups that are not directly related to land management, and we have been able to provide those groups with resources for NRM activity. I use the example of the group in my electorate that is trying to control invasive weeds in Porongurup National Park. That group has been very effective, given that a fire went through the area recently. That presented an opportunity to reduce the weed burden. Small groups have received those resources. There is a stack of those small groups.

Mr C.J. TALLENTIRE: Does the minister have the figures for the broad groups, rather than going into the detail?

Mr D.T. REDMAN: Public announcements will be made soon about the resources that are currently going to a number of groups, and there is a heap of them. I cannot off the top of my head name those groups. Expressions

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of interest have been called for today from regional NRM groups for resources for a range of government priorities. That can be found on the website.

Mr C.J. TALLENTIRE: Those are the figures I am interested in.

Mr D.T. REDMAN: I do not have it in front of me, but I can report that funds have been made available to those groups. There is certainly base funding of \$1.5 million, I think. We are happy to provide supplementary information on the funding that has gone to those groups and on the process we are now engaged in that they have an opportunity to access.

Mr C.J. TALLENTIRE: I would like clarification that I will receive a detailed breakdown of funding to the regional NRM groups.

Mr D.T. REDMAN: The member is chasing the specific funding resources that are going to the NRM groups. Can I clarify with the member whether that is funding from the Western Australian NRM fund specifically or from any NRM fund?

Mr C.J. TALLENTIRE: From the Western Australian government.

Mr D.T. REDMAN: We will provide that information.

[Supplementary Information No B4.]

Mr C.J. TALLENTIRE: There was a second part to my question about the table on page 776.

Mr D.T. REDMAN: As I understand it, the major drivers for those key performance indicator responses are the drought and the financial capacity of landholders. There is an impact of that acute response playing through in these indicators.

Mr C.J. TALLENTIRE: Why are the numbers so low? Is it a sample? Is that the number of landholders across the state who are interested in these things?

Mr D.T. REDMAN: I will ask the director general to comment on that.

Mr R.J. Delane: These KPIs are indicators. Some of them are indicated by percentage, or, if it is different, that is shown in brackets. In general, these indicators are the percentage of landholders who are responding to programs that the department runs to improve land management; hence, you will see a rather unfortunate trend with some indicators that is largely a result of the worst drought in the state's history and a major shift in the financial ability of land managers to improve their practices. There has been a downward trend in some of those indicators. But, in the main, we use a percentage indicator for the percentage of landholders or land managers who are adopting a particular practice.

The appropriation was recommended.