

2018–2019  
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# Statement of compliance

25 September 2019

The Honourable Mark Furner MP  
Minister for Agricultural Industry Development and Fisheries  
1 William Street  
BRISBANE QLD 4000

Dear Minister

I am pleased to submit for presentation to Parliament the *Annual report 2018–2019* and financial statements for the Department of Agriculture and Fisheries.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2019, which came into effect on 1 September 2019
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

This report was prepared on the basis of the current administrative arrangements for this department applying for the whole of the 2018–19 financial year. That is, it reflects the structure, operations and performance of the department as it now exists.

A checklist outlining the annual reporting requirements can be found in Appendix 6, page 187 of this annual report, or accessed at [daf.qld.gov.au](http://daf.qld.gov.au).

Yours sincerely



Dr Elizabeth Woods  
Director-General  
Department of Agriculture and Fisheries



## Message from the Director-General

I am pleased to present the annual report of the Department of Agriculture and Fisheries (DAF), which shows the progress we made towards achieving our strategic objectives. The past year saw the agriculture, food and forestry sector, producers and communities experience significant disruptions and challenges. Despite this, 2018–19 also highlighted exciting innovations and growth. We continued our commitment to working with the sector to improve profitability and productivity in a sustainable way. DAF contributed to four of the six priorities under the Queensland Government's *Our Future State: Advancing Queensland's Priorities*—**Create jobs in a strong economy, Protect the Great Barrier Reef, Keep Queenslanders healthy** and **Be a responsive government**. Our major initiatives helped to strengthen the sector's value to the economy, the environment and communities.

Queensland has an envied emergency response capability and DAF staff played a pivotal role as leaders, coordinators and doers in the diverse events and incidents that 2018–19 brought. With large parts of the state impacted by natural disasters—the unprecedented monsoonal flooding in the state's north and west, bushfires across much of Queensland and a cyclone—DAF staff once again showed their dedication to helping affected agribusinesses and regional communities get back on their feet as quickly as possible. We worked closely with the Queensland Police Service and Queensland Health to contain contamination from the strawberry tampering. I am always impressed by the professionalism and resolve staff show in dealing with what can be challenging and sometimes confronting situations.

Our **#eatqld** campaign helps demonstrate the resilience of the sector and the breadth of Queensland's produce. By encouraging Queenslanders to eat our state's produce, we not only support local farmers and local economies but help to **Keep Queenslanders healthy**. Led by our Minister, the Honourable Mark Furner MP, Minister for Agricultural Industry Development and Fisheries, our high-profile partners—Woolworths, Clubs Queensland, Eat Street Northshore and the RNA—are helping to spread and reinforce the message.

The Queensland Drought and Climate Adaptation Program continued to build new climate-forecasting products and decision-support tools specifically tailored for Queensland. These improved industry capacity to manage and prepare for weather events such as drought. The independent panel reviewing Queensland Government's drought program found strong industry support to continue and strengthen this program. The review also marked the commencement of a drought reform process to improve resilience and assistance for our farmers into the future.

Queensland continued to be on the front line of biosecurity defence in responding to more biosecurity risks than any other state. Through the implementation of the *Queensland biosecurity strategy: our next five years 2018–2023*, we continued to build stronger partnerships with industry, local government and the community to deliver shared ownership and management of biosecurity risks. This included supporting the seafood industry to manage the impacts of white spot disease, continuing to contain Panama disease tropical race 4, responding to increasingly provocative animal activism, and successfully completing the second year of the 10-year eradication plan under the National Red Imported Fire Ant Eradication Program.

We continued with the delivery of the *Queensland sustainable fisheries strategy 2017–2027*, including progressing changes to the *Fisheries Act 1994* to make it more modern and responsive, and to introduce stronger compliance powers and penalties for serious fishing offences such as black-marketing. Vessel tracking has been rolled out from January 2019 and we continued to work with industry to assist them with implementation. We also continued a comprehensive community and industry consultation process on proposed reforms to some of our major fisheries, including the trawl, crab and east coast inshore fisheries.

In August 2018 we released the *Charter fishing action plan 2018–2021*, which was the first step in recognising the charter fishing sector as an important contributor to the fishing industry in its own right. The plan includes actions to increase tourism and employment and support regional economic development. Reforms made to improve fisheries management will further ensure resources are sustainably used and provide lasting economic, environmental and social value to Queensland.

DAF's Reef program has a significant and ongoing role in delivering improved water quality for the Great Barrier Reef as well as the fisheries actions outlined in the *Reef 2050 long-term sustainability plan*.

The *Queensland agriculture and food research, development and extension 10-year roadmap and action plan* entered its first year of implementation. The implementation plan aims to increase innovation and commercialisation, and identify and promote agriculture and food research, development and extension (RD&E) opportunities. It also aims to support the food and fibre sector to grow and develop new businesses and increase the output of safe, affordable, quality food and fibre. This plan has seen a broad portfolio of programs across the government come together and support the development of Queensland's agriculture and food industries. Growing Queensland's Food Exports, a \$1.3 million program, has led to a number of Queensland producers and suppliers receiving support to access new markets, opening up opportunities for mango, strawberry and pork products, to name a few. Another program is focused on developing new market access protocols to allow fresh Queensland produce to be sold through a larger number of export markets. This will provide growers and exporters both treatment choice and marketing choice, enabling higher prices for products and greater returns to growers. The *Growing for Queensland discussion paper*, released in June 2019, will help the department develop a strategy that sets the direction for the agribusiness and food sector in Queensland.

As a department, we continued to develop our business to be contemporary, digital, scalable and efficient. Our website modernisation went live in December 2018, providing improved experience for our customers and improved technical reliability of the system. I was impressed with the outstanding creativity, ideas and inventions displayed at our first DAF Innovation Showcase. The annual AgFutures Innovation and Investment Forum highlighted industry research and the latest products and processes.

Finally, I am very pleased to announce we have successfully achieved White Ribbon accreditation, recognising the department's commitment to preventing domestic and family violence, supporting affected employees and promoting a respectful workplace culture. Through this program, we will continue to promote a respectful, safe and inclusive workplace culture.

Many more achievements were realised during the past year and these are detailed throughout this report. I am confident that the clarity, direction and focus collaboratively developed will support our department to work with individual customers and businesses, and drive economic growth across the sector.

Lastly, I would like to thank all staff, the Minister and his office for their hard work and support this year. We have many exciting opportunities ahead and I look forward to the department continuing to work together with our partners in innovative, responsive and sustainable ways to make the most of these opportunities in 2019–20.



Dr Elizabeth Woods  
Director-General  
Department of Agriculture and Fisheries



# Snapshot of performance

This snapshot shows how DAF supported the priorities under *Our Future State: Advancing Queensland's Priorities* in 2018–19.



## Create jobs in a strong economy

Gross value of agriculture, fisheries and forestry production  
**\$17.59** billion

- **\$528.1 million** spent on providing agriculture, fisheries and forestry services

Rural exports **\$9.9** billion (excluding sugar exports)

- **2** international investment briefings and **25** international delegations supported to promote agricultural trade and investment opportunities
- **8523** plant health certificates issued and **3273** inspections undertaken to provide market access for Queensland commodities
- **\$1.3** million invested in Growing Queensland's Food Exports, helping **15** companies to export agrifood products to Asia and the Middle East

Jobs and employment

- **41 100** agriculture, forestry and fishing businesses supported across Queensland
- **69 600** Queenslanders employed in agriculture, forestry and fishing jobs (about **2.8%** of Queensland's workforce)
- Up to **600** potential new jobs created by **15** business enterprises under the Rural Economic Development Grants program
- **87** work centres providing services across the state
- **67%** of DAF staff working in locations outside Brisbane's central business district



## Keep Queenslanders healthy

Safe and ethical food production

- **196** audits or investigations completed to ensure the safe use of chemicals in food production and reduce contaminant risks
- **11** new licences issued under the *Drugs Misuse Act 1986* for the commercial production of industrial cannabis (hemp) in Queensland

Animal welfare

- **1676** animal welfare investigations undertaken to ensure high standards of animal welfare and support the ethical production of food products

Fresh food availability

- Queensland's **#eatqld** campaign and the targeted 'Ask for Queensland seafood' and 'Strawesome' campaigns launched
- **\$1 million** allocated to restore consumer confidence, safeguard supply chain integrity and support recovery activities in Queensland's strawberry industry following tampering
- **\$16.42 million** provided for freight subsidies and emergency water rebates for **4054** claims by drought-affected producers under the Drought Relief Assistance Scheme



DAF directly contributes to **Create jobs in a strong economy**, **Keep Queenslanders healthy**, **Protect the Great Barrier Reef** and **Be a responsive government**. The other two priorities, for which the department does not have a role, are **Give our children a great start** and **Keep communities safe**.



## Protect the Great Barrier Reef

### Reduced impact

- **72%** of primary producers in Reef catchments adopting improved management practices after participating in DAF extension programs
- **4435** agricultural chemical user licences issued to ensure environmentally responsible production

### Fish stocks

- **85%** of key Queensland fish stocks assessed as showing no sustainability concerns
- **1423** penalty infringement notices and **2076** caution infringement notices issued under the *Fisheries Act 1994*
- **Better** fishing experiences delivered in net-free fishing zones, with the number and size of fish caught increasing from reports in 2015 and 2016
- **>3 million** juvenile fish or fingerlings released into **150** waterways across Queensland by **68** active community stocking groups
- **Improved** recreational fishing from fish-attracting structures deployed in Kinchant and Cressbrook dams



## Be a responsive government

### Responsive and easy-to-use services

- **60** exotic and established animal and plant pest and disease incidents effectively managed
- **7** nationally cost-shared eradication programs led by Biosecurity Queensland
- **1700** commercial fishing licences issued and monitored
- **>1100** boats with vessel-tracking monitoring systems rolled out to make compliance easier, with costs offset through the **\$3 million** rebate scheme
- **86%** of **76 555** customer enquiries answered at the first point of contact by the Customer Service Centre
- **94%** of **4054** claims for business assistance as a result of drought or natural disaster processed within **21 days**
- **6 621 049** web page views
- **115 737** Facebook and **10 941** Twitter followers

## Our organisation

DAF worked to achieve a productive and profitable agriculture, fisheries and forestry sector by promoting sustainability and innovation, and helping to realise the sector's value to the economy and communities.

DAF forms part of the portfolio of the Minister for Agricultural Industry Development and Fisheries, working with the five statutory bodies outlined in Appendix 3.

DAF's responsibilities are outlined in Administrative Arrangements Order (no. 1) 2018 of 5 July 2018. Details of the Acts we administer can be found in Appendix 5.

In 2018–19, DAF's operating expenditure was \$528.1 million, our capital expenditure was \$21.4 million and we managed assets worth \$471.5 million for the delivery of services. DAF is also a partner (with three other agencies) in the Business and Corporate Partnership arrangement, which helps to deliver specialised corporate support.

The department operated from 87 work centres across the state. Around 67% of our staff live and work in locations outside the Brisbane central business district, contributing to Queensland's vibrant regional communities.

DAF continued with our *Strategic plan 2017–2021 (reviewed and revised May 2018)*, with changes reflected in the operating environment and government priorities.

## Our vision

A productive and profitable agriculture, fisheries and forestry sector.

## Our purpose

Promote a sustainable and innovative agriculture, fisheries and forestry sector and develop rural businesses that add value to the economy and communities.

## Our strategic direction

Organisational strategy supported our vision with the following key objectives:

- Create the conditions for successful agribusinesses and supply chains that encourage innovation, productivity and new job opportunities.
- Assist people in agriculture, fisheries, forestry and rural businesses to respond to challenges and protect environmental values.
- Ensure the sustainable management of natural resources to underpin productivity and protect the environment.

The achievement of these objectives also depends on the effectiveness of DAF's collaboration with other government agencies, industry and research bodies.

## Our contribution to Queensland Government's priorities for the community

DAF contributes to achievement of the following priorities:

- **Create jobs in a strong economy.**
- **Keep Queenslanders healthy.**
- **Protect the Great Barrier Reef.**
- **Be a responsive government.**

DAF's work made a significant contribution to these priorities through our strategies and service delivery initiatives—with a dedicated focus on rural economic development (see 'Snapshot of performance', page 4).

# Our organisational structure

DAF's organisational structure was made up of three core service delivery areas—Agriculture, Biosecurity Queensland and Fisheries and Forestry—supported by Corporate. Each area was led by a Deputy Director-General.

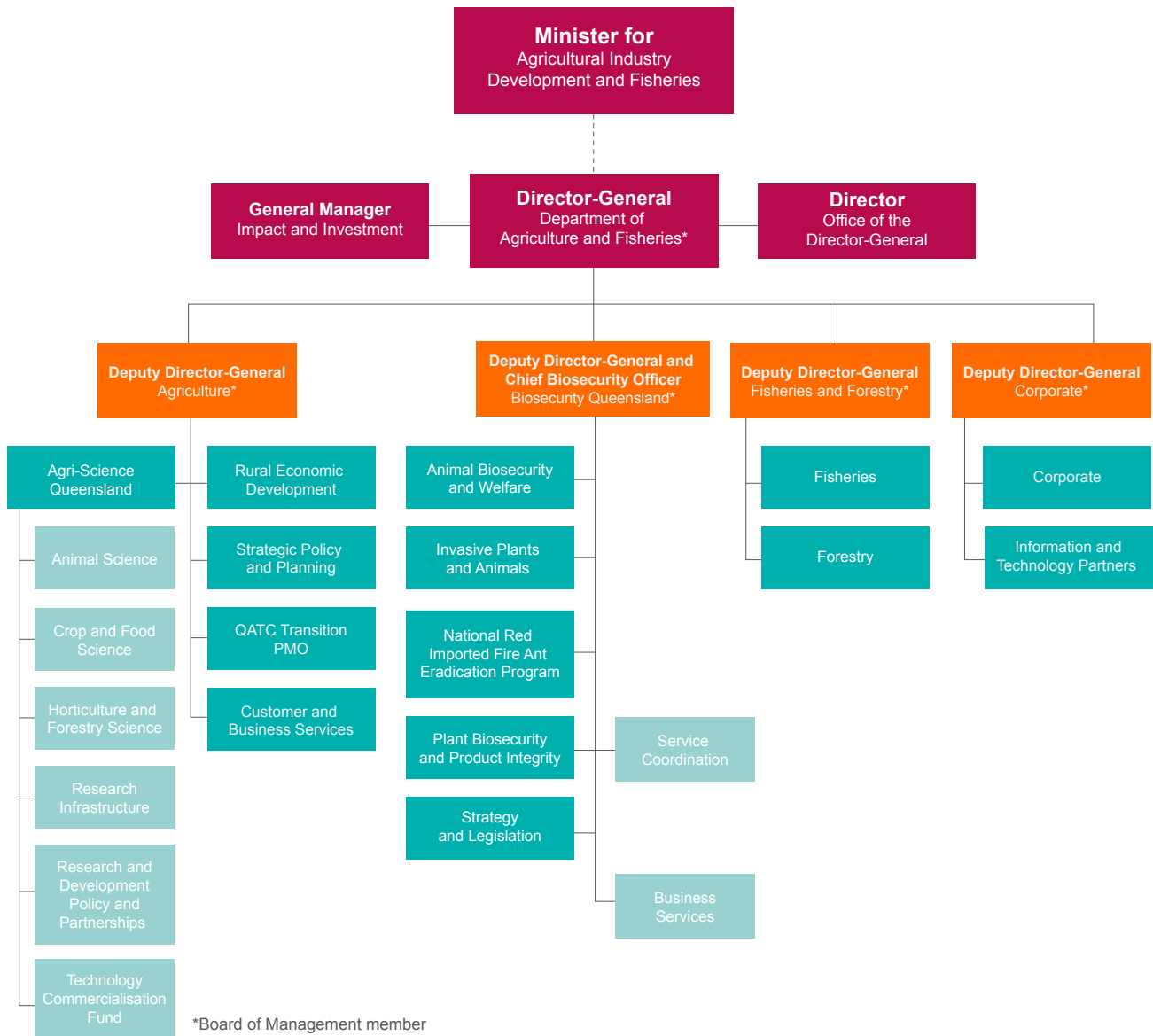


Figure 1 DAF's organisational structure reflecting areas of responsibility as at 30 June 2019

## Our leaders



### **Dr Elizabeth (Beth) Woods**

OAM, ATSE, Director-General

As Director-General of DAF since 2016, Beth led the development of initiatives to deliver an innovative, productive and sustainable agriculture, fisheries and forestry sector. She brought extensive experience gained as the Deputy Director-General of Agriculture and of Science in the former Department of Employment, Economic Development and Innovation. Previously she was the foundation Director of the Rural Extension Centre at The University of Queensland (UQ), and Professor of Agribusiness at UQ from 1997 to 2004.

Beth completed her DPhil in Agricultural Economics as a Rhodes Scholar at Oxford University. She has served on the CSIRO Board, the Gatton College Council and the Rural Adjustment Scheme Advisory Council. She has chaired the Rural Industries Research and Development Corporation, the Australian Centre for International Agricultural Research, the National Drought Policy Review and the International Rice Research Institute. She was a member of the Australian Rural Research and Development Council (2011–12) and a member of the World Bank's Agricultural Pull Mechanism expert panel. She has completed a term as Chair of WorldFish, headquartered in Penang and part of the CGIAR network of independent research centres administered through the World Bank.



### **Bernadette Ditchfield**

Deputy Director-General, Agriculture

Bernadette is responsible for leading the development of policies, research and initiatives that lift the productivity of Queensland's food and fibre businesses. Bernadette has an extensive background in policy development and service delivery, coupled with a strong industry development focus. Bernadette is also responsible for leading the department's *FutureDAF* initiative, which works with all departmental staff to drive innovation and a culture of continuous improvement.

Bernadette has more than 20 years experience in the private and public sectors, and has held senior roles in the Department of Natural Resources, Mines and Energy, Queensland Treasury and the Department of the Premier and Cabinet.



### **Malcolm Letts**

Deputy Director-General and Chief Biosecurity Officer,  
Biosecurity Queensland

Malcolm has held this role since October 2017; before this, he was Deputy Director-General, Agriculture. He leads the state's efforts in the management of animal and plant pests and diseases, invasive species, animal welfare and agricultural chemicals. Malcolm's extensive experience includes agricultural industry development, food safety and traceability, rural and industry development, trade, investment attraction and agricultural policy.

He has been a member of the Safe Food Production Queensland Board since 2015.

Malcolm is the Queensland Government representative on the National Biosecurity Committee and has chaired a number of state and national biosecurity committees, including the Intergovernmental Agreement on Biosecurity Taskforce. Malcolm's focus continues to position Queensland as a leader within the national biosecurity frameworks and ensures that Queensland, as the frontline state for biosecurity, continues to build its capability to meet the biosecurity needs of all Queenslanders not only today but into the future.



### **Graeme Bolton**

Deputy Director-General, Fisheries and Forestry

Born and raised in North Queensland, Graeme spent the first part of his career in the private sector as a director in a planning and surveying consultancy. Joining the public service in 2004, he was instrumental in leading and delivering a major IT project and major reforms to Queensland's planning legislation. Graeme also spent five years in the Middle East, where he was responsible for the delivery of Qatar's national growth and development strategy, strategic planning for the new metropolitan rail network and precinct, and legacy planning for the 2022 FIFA World Cup.

Upon returning to Australia, Graeme took up a senior executive role with Townsville City Council before rejoining Queensland Government with the Department of State Development, Manufacturing, Infrastructure and Planning. Graeme joined the Department of Agriculture and Fisheries as part of the Senior Executive Service Mobility Program, having recently spent five weeks as the Acting Chief Biosecurity Officer.



### **Sinead McCarthy**

Deputy Director-General, Corporate

Sinead was appointed as Deputy Director-General, Corporate in April 2019 after a period of acting in the role from June 2018 to February 2019. Sinead is responsible for the delivery of a broad range of corporate services to enable the department to deliver against its strategic objectives.

Prior to this time, Sinead was Chief Counsel with In-house Legal in the Business and Corporate Partnership, leading a team of multidisciplinary lawyers providing legal services to four state government departments: Department of Agriculture and Fisheries,

Department of Natural Resources, Mines and Energy, Department of Environment and Science, and Department of Innovation, Tourism Industry Development and the Commonwealth Games. Services included conducting civil litigation and prosecutions, advising on commercial arrangements and providing portfolio-specific and general corporate advice.

Sinead also led the strategic planning, performance and risk functions within the Department of Natural Resources, Mines and Energy.

Commencing in private legal practice, Sinead now has 20 years experience with the public sector, both in Queensland and in the civil service in the United Kingdom.

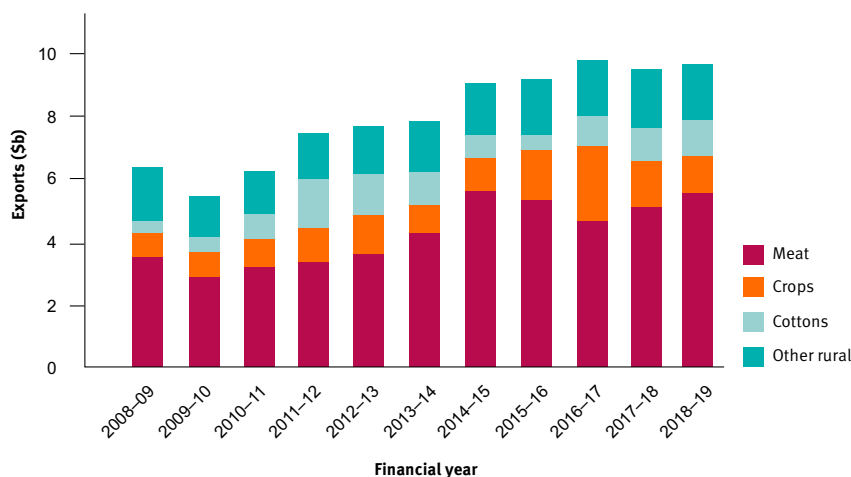
## The sector we serve

Queensland has the highest proportion of land area dedicated to agriculture in Australia. From 37% of Australia's total farm area, Queensland grows 97% of the nation's bananas, produces 94% of the nation's sugarcane, has 50% of the meat cattle herd, produces 35% of the nation's cotton and grows 29% of the nation's vegetables (Source: ABS, *Agricultural commodities, Australia, 2017–18*, cat. no. 7121).

The sector's contribution to the Queensland economy is significant, providing and supporting jobs across the supply chain, with a critical role in the economies of many regional communities. The total value of primary industry commodities was forecast to be \$17.59 billion for 2018–19. Queensland's agribusiness and food sector has grown steadily in recent years, at an average annual increase of 0.75% in volume and 4.24% in value between 2006–07 and 2018–19. These trends are expected to continue, with average growth in the volume of food and fibre production of around 1% per year, and average growth in the value of production of around 3% per year.

An overview of the contribution of the sector is provided in Figure 3 (page 12).

Rural merchandise exports contribute over \$9.9 billion (excluding sugar) to the Queensland economy. Figure 2 highlights the contributions of the various Queensland agricultural commodities to the state's rural merchandise exports.



**Figure 2** Queensland's rural overseas merchandise exports, 2008–19 (Sources: ABS unpublished trade data; Queensland Treasury)

DAF worked with the sector to mitigate a range of risks to production, resulting in a strong performance in the face of significant challenges. Major challenges for the sector in the past year included:

- continued drought in most of the southern half of Queensland (see Figure 4, page 13)
- extensive monsoonal flooding and unseasonably cold weather across North Queensland with associated biosecurity and health risks from many thousands of dead animals
- the global economic slowdown in the second half of 2018, partly due to international economic policy uncertainty and trade disputes
- food contamination in strawberries and other fruits
- stricter environmental regulations
- animal rights activism.

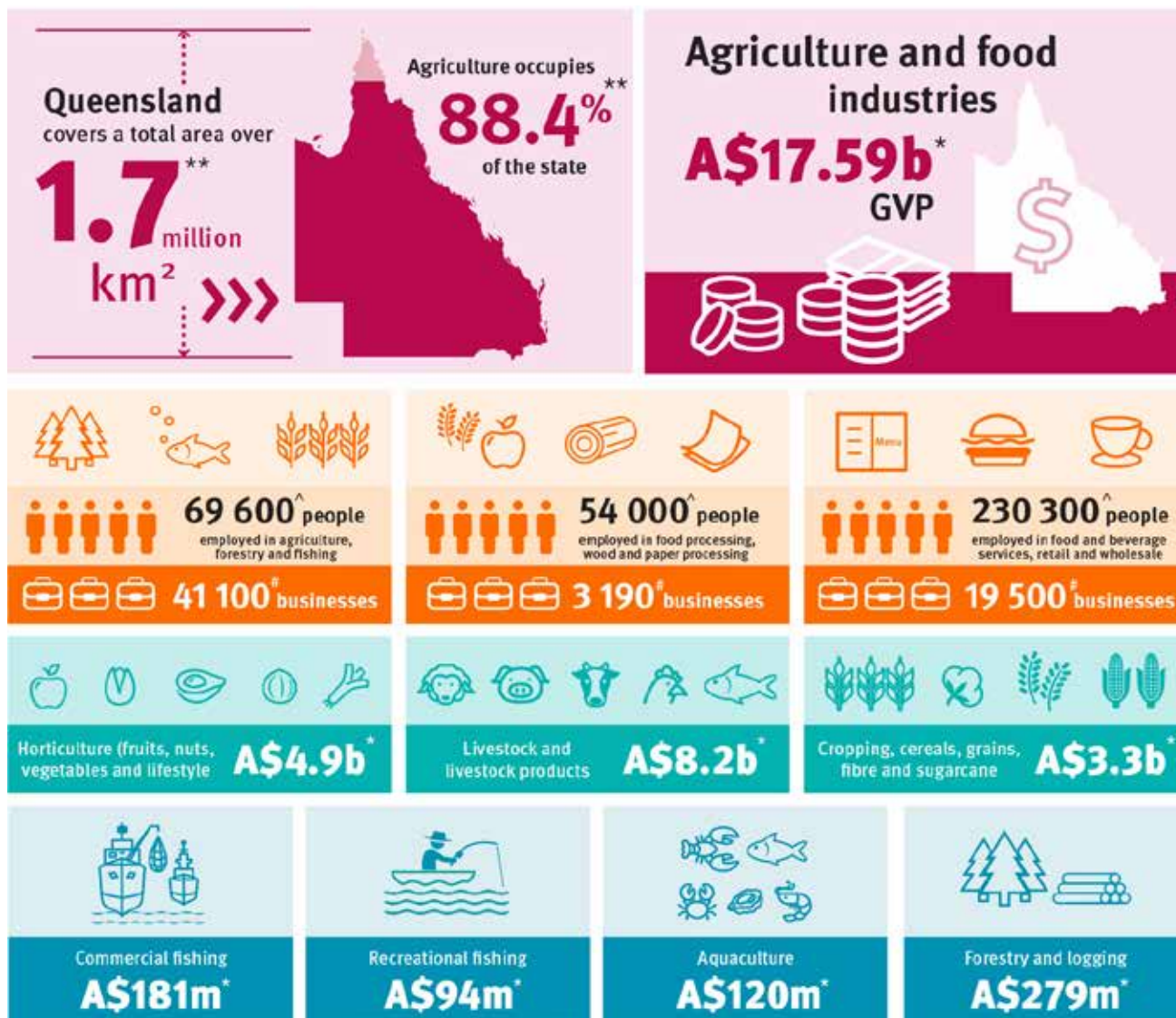


Figure 3 Agriculture, fisheries and forestry snapshot

**Sources:**

\* Department of Agriculture and Fisheries 2019, *AgTrends update: April 2019*, Queensland Government, Brisbane, [daf.qld.gov.au/business-priorities/agriculture/trends/agtrends](http://daf.qld.gov.au/business-priorities/agriculture/trends/agtrends).

**Note:** Placing a value on recreational fishing is difficult. In simple terms, recreational fishing has a harvest, a recreational and a wilderness component. The harvest component can be measured in a similar way to commercial fishing, but the other two components need to be valued for their wider economic contribution through, for example, linked sectors. Consequently, depending on the method used, there may be significant variation in reported results.

^ ABS 2019, *Labour force, Australia, detailed, quarterly, May 2019*, cat. no. 6291.0.55.003, Australian Government, Canberra, [abs.gov.au/ausstats/abs@nsf/mf/6291.0.55.003](http://abs.gov.au/ausstats/abs@nsf/mf/6291.0.55.003).

# ABS 2019, *Counts of Australian businesses, including entries and exits, June 2014 to June 2018*, cat. no. 8165.0, Australian Government, Canberra, [abs.gov.au/ausstats/abs@nsf/mf/8165.0](http://abs.gov.au/ausstats/abs@nsf/mf/8165.0).

\*\* Department of Agriculture and Fisheries 2018, *Queensland agriculture snapshot 2018*, Queensland Government,

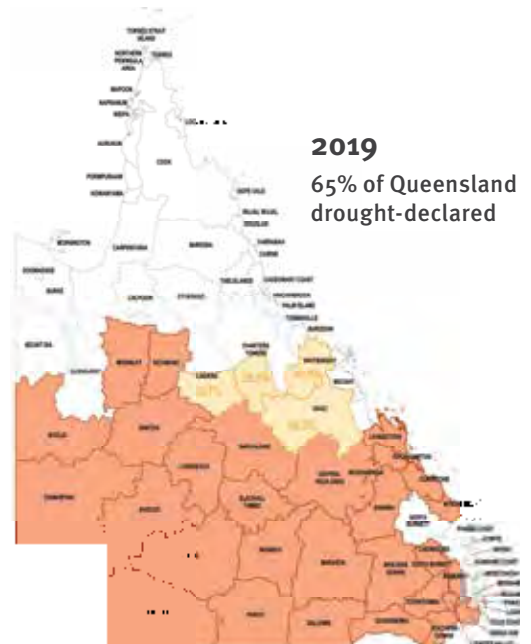
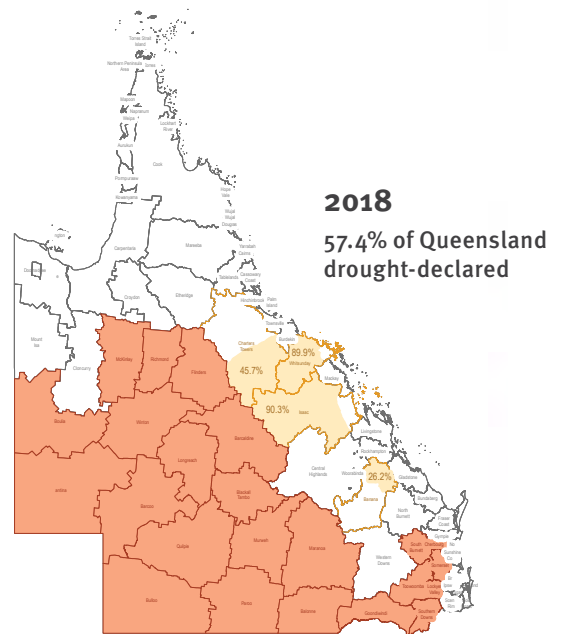
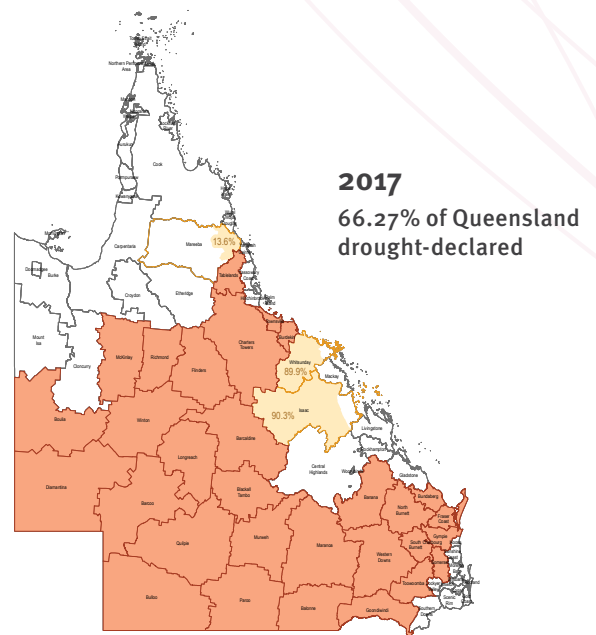


[daf.qld.gov.au/business-priorities/agriculture/trends/snapshot](http://daf.qld.gov.au/business-priorities/agriculture/trends/snapshot).

The sector’s outlook remains positive. Assuming there are no major disruptions in access to global markets and no significant climate impacts, the medium-term prospects for Queensland are close-to-average or above-average growth for all commodities except for food grains, forestry, milk and sugarcane, which may face less favourable growth conditions.

Industry trends reflect a number of long-term influences, including:

- rising demand for food and fibre due to global population growth
- changing demand from consumers with higher incomes, particularly in Asia, with an increasing demand for protein, quality, variety, convenience and environmental sustainability, and declining demand for grains
- above-average productivity growth, driven by research, innovation, skills, investment, technology, new varieties and supply chain efficiencies
- reduced prices (in real terms) as growth in supply exceeds growth in demand over the medium to long term in some commodities, such as sheep meat, wheat, rice and cotton
- increasing resource constraints, such as natural resources, labour and capital availability
- widening markets due to globalisation and the creation of national markets (e.g. for milk), a reduction in agricultural protectionism and subsidisation in some countries, and increased market access for Australian products.



**Local government areas**

- Fully drought-declared
- Not drought-declared
- Partly drought-declared

Land drought-declared and percentage of local government area

**Figure 4** The Queensland drought situation at 30 June 2017 (top), 2 July 2018 (centre) and 3 June 2019 (bottom)

(Source: Department of Environment and Science, [longpaddock.qld.gov.au](http://longpaddock.qld.gov.au))

## How we serve the sector

DAF's performance framework is guided by industry needs, government priorities, legislative and policy mandates, and community objectives.

Our strategic plan establishes our direction for the next 4 years, outlining the department's objectives and how it will respond to identified challenges. The plan is reviewed annually to ensure emerging issues and government priorities are strategically addressed and to ensure that its objectives, risks and actions align.

Development of the strategic plan is guided by the Queensland Government's *Our Future State: Advancing Queensland's Priorities*. The plan links to the priorities and contributes to their achievement in the following ways:

- **Create jobs in a strong economy**—working together with industry and rural communities, we grow rural exports and add value to primary production to deliver jobs and prosperity for the future.
- **Keep Queenslanders healthy**—by mitigating the impacts of biosecurity and climatic events, we support the wellbeing and resilience of the people in rural communities and ensure Queenslanders can access healthy, affordable food, and enjoy safe, sustainable recreation opportunities.
- **Protect the Great Barrier Reef**—by increasing the uptake of improved management practices, modernising fisheries management and facilitating enhanced compliance activity, we support and enable the sector in its responsible use of natural resources, adaptability to climate change and protection of the Great Barrier Reef.
- **Be a responsive government**—in reforming the services of DAF, we promote shared ownership in developing more effective, accessible and regionally based services that the community values.

The strategic plan is supported by DAF's impact and investment framework and business unit plans. Our business unit plans specify service and individual accountabilities and required levels of performance.

The services provided were the means through which DAF created value for its stakeholders and the community (see below). They were defined in the Service Delivery Statement (Budget Paper 5), which also outlined the new initiatives and investment priorities for the coming year.

Operational performance and the delivery of the strategy is regularly monitored to ensure that DAF meets its commitments and achieves its objectives. Progress has been measured quarterly and annually, through quarterly performance reports and the annual report.

## Our services

DAF's services were delivered through three service areas:

- **Agriculture**—to lift the productivity of Queensland's food and fibre businesses
- **Biosecurity Queensland**—to mitigate the risks and impacts of animal and plant pests and diseases and weeds to the economy, the environment, social amenity and human health, and to uphold standards for animal welfare and agricultural chemical use
- **Fisheries and Forestry**—to ensure sustainable and productive fisheries and the responsible allocation and use of state-owned forests and related resources.

The delivery of our services is supported by our Corporate business group and services received from the Business and Corporate Partnership.

## Our impact and investment framework

In 2018–19, DAF's impact and investment framework provided a consistent, organisation-wide approach to:

- describing our work and the impacts we sought to achieve
- measuring and evaluating our performance
- identifying where we should invest.

The framework links planning and performance to the delivery of impact, while providing a line of sight for individuals from their day-to-day work to departmental goals. It also positioned DAF to demonstrate that our work makes a difference and represents value for money. There are five functional components in the framework, as shown in Figure 5.

In 2018–19, the impact and investment framework continued to be further embedded within the department and was used to inform the reprioritisation of resources within business units, to deliver increased efficiencies and impacts across the department.



Figure 5 DAF's impact and investment framework

## Our impacts

DAF is an agency that is all about making a difference. We deliver impacts across a wide range of areas and industries.

These impacts are documented in the department's impact map—a customer-centric visual tool that describes the work that is underway and the outcomes we seek to achieve over the short to medium term.

The impact map for 2018–19 comprised 13 individual business unit maps, which cover our main business groups—Agriculture had 7 impact maps, Biosecurity Queensland had 2, Fisheries and Forestry had 2 and Corporate had 2.

### Agriculture



Strategic policy and planning



Horticulture and forestry science



Rural economic development



Agri-Science Queensland infrastructure, strategy and business



Animal science



Customer and business services



Crop and food science

### Biosecurity



Biosecurity external



Biosecurity internal

### Fisheries and Forestry



Fisheries



Forestry

### Corporate



Corporate



Information and technology partners

## Our results

The impact map is supported by our performance measurement plan, which ensures that we can demonstrate the effectiveness and efficiency of our work. It outlines the performance measures that we use to ensure our work is on track. These measures complement the department's service delivery standards, making sure performance is tracked across the breadth of our work and fosters a culture of measurement and continuous improvement.

DAF seeks to evaluate our work to ensure that we are achieving the impacts that we planned. Evaluation helps us to assess how we have performed and to devise strategies for improvement when needed. In 2018–19, DAF undertook a number of strategic program evaluations to assess the delivery of impacts aligned to DAF's strategic objectives. DAF also continued to build a culture of evaluation, to ensure our decisions are based on best evidence.

## Our investment

DAF's investment is guided by five key principles in the framework:

- 1. We deliver on government objectives**—DAF exists to serve the government of the day.
- 2. We invest for impacts**—DAF ensures its work delivers economic, environmental and community outcomes.
- 3. We deliver results**—DAF invests where it can achieve success.
- 4. We deliver public value or benefits**—DAF utilises taxpayer dollars to deliver benefits to resource users and the community.
- 5. We build capability, collaborations and infrastructure for the future**—DAF invests in people, skills, infrastructure and technologies to meet future needs.

## Reporting

The next section of this report details our achievements for the financial year 2018–19, measured against the three objectives outlined in the department's *Strategic plan 2017–2021 (reviewed and revised May 2018)*. The impact areas appear throughout the report, indicating the contributions our business units made in achieving these outcomes. Results for the strategic plan indicators, related service standards and other measures are identified. This provides a comprehensive view of how DAF implemented its strategy, how it created value in delivering services and how it used its budget.

## Objective 1

# Create the conditions for successful agribusinesses and supply chains that encourage innovation, productivity and new job opportunities

Creating the right conditions for agribusinesses to thrive drives investment, innovation and benefits right along the supply chain. This, in turn, promotes economic sustainability to deliver jobs and prosperity for the future.

DAF worked with industry and other government agencies to maintain, grow and open markets and generate benefits from free trade agreements. We also leveraged investment in agriculture from Queensland Government's Advance Queensland initiative. We engaged with agribusinesses and rural communities, maximising opportunities to add value to primary production and grow rural exports, to ensure sustainability, and to drive jobs growth and prosperity.

We partnered with industry and universities to invest in vital research and development to encourage diversification into new and emerging products, and to support traditional agriculture sectors. Policy and regulatory instruments provided the foundations for a strong business environment, gave certainty around regulatory requirements and assisted industries to access markets.

We have identified six new land-based aquaculture development areas in Townsville, Whitsunday, Mackay, Rockhampton and Gladstone local government areas to grow jobs and further develop an ecologically sustainable, diverse and innovative aquaculture industry in Queensland.

In doing these things, DAF helped deliver on Queensland Government's priority to **Create jobs in a strong economy**.

## Strategic risks and opportunities

- **Global demand for food and fibre**—the growing global population and affluence in emerging economies result in increased demand for protein foods, niche primary products and agricultural scientific expertise that can provide expanded and new markets for Queensland producers and new sources of investment for the sector.
- **New technologies**—new technologies to detect threats and improved modelling, supported by increased processing power and big data, can help DAF prevent the spread of biosecurity diseases and pests, improve fisheries management, assist producers to improve decision-making and better predict climatic risks, leading to increased productivity.
- **Strategic partnerships**—strengthening partnerships with research organisations, industry bodies and other government agencies enables DAF to leverage expertise and share resources, aimed at increasing innovation, promoting rural economic development and growing business and public confidence in DAF's strategic direction for the sector.
- **Organisational agility**—the diverse and unpredictable nature of conditions affecting the sector challenges DAF's ability to adapt and renew its business model, skills base and services to better meet the changing needs of customers and grow rural economies.
- **Competition for resources**—resources used for agriculture, fisheries and forestry are increasingly subject to demands for competing access from other economic, environmental and social interests, and these conflicts cannot always be fully resolved.

## Key performance indicators

- Number of market and investment opportunities facilitated by DAF
- Percentage return on RD&E investment
- Improved regulatory frameworks

## Cross-government commitments

The following intergovernmental agreements, frameworks and whole-of-government strategies influenced the way DAF delivered these services.

### Advance Queensland initiative

Advance Queensland is a Queensland Government initiative designed to create the knowledge-based jobs of the future, drive productivity improvements and build on Queensland's natural advantages. Our actions align with Advance Queensland priorities for developing innovative industries and businesses. We worked in support of *Advancing trade and investment: Queensland trade and investment strategy 2017–2022* to promote export and investment opportunities in the agriculture, fisheries and forestry sector. DAF was represented on the Advance Queensland Interdepartmental Committee. Advance Queensland programs supported Queensland's agriculture and food sector to innovate, apply new ideas, conduct original research, deploy new technologies and create new market opportunities.

### National RD&E framework

The National Primary Industries Research, Development and Extension Framework provides guidance to leaders in agriculture and food RD&E on how to make the best use of available expertise across the nation, maximising the outcomes from agriscience investment in Queensland. Queensland co-led the sugarcane strategy in partnership with the relevant industry organisations. Leadership was also delegated to Queensland for specific sector and cross-sector areas within the grains, horticulture, intensive livestock, animal welfare, soils and biosecurity strategies.

### Regulation of agricultural chemicals and veterinary medicines

The Queensland Government is a signatory to a national intergovernmental agreement to establish a harmonised framework for the regulation of agricultural chemicals and veterinary medicines (agvet chemicals). The department has commenced the implementation of this reform agenda by harmonising record-keeping, training and licensing requirements for all users of agvet chemicals in Queensland. These national policies were agreed to by members of the Agricultural Ministers' Forum (AGMIN) in 2017 and 2018. DAF's work on the other agreed reforms is continuing.

## Results and work program

This section outlines DAF's performance aligned to the strategies in the strategic plan under Objective 1 and the priorities outlined in the 2018–19 DAF Service Delivery Statement.

## Strategy 1.1

Grow markets and investment to support the flow of trade, capital and increased job opportunities

### Contributing impact areas



Strategic policy and planning



Animal science



Rural economic development



Crop and food science



Horticulture and forestry science



Biosecurity external

### KPI Number of market and investment opportunities facilitated by DAF

Performance monitored by a number of DAF business measures

Table 1 International investment briefings and incoming trade delegations

Measure	Results		Note: Support to overseas trade missions (international investment briefings) is driven by the nature, scope and focus of the mission. During the year we provided indirect mission support through a range of mechanisms including expert advice and connecting delegates.  Incoming trade delegations are driven by interest from overseas governments and businesses. We worked closely with Trade and Investment Queensland and other key government and industry stakeholders to build trade and investment across the Queensland food and agriculture sectors.  In 2018–19, more specific assistance was directed to local businesses to grow export markets.
	2017–18	2018–19	
International investment briefings	1	2	
Incoming trade delegations	35	25	

## International trade delegations

Targeted trade missions led by Queensland Government provided practical opportunities to strengthen existing international trading relationships and establish new business in support of Queensland's future economic growth.

These opportunities showcased current high-value commodities as well as new, niche and emerging food products, encouraging export and investment partnerships.

In 2018–19, DAF supported two Minister-led trade and investment missions—one to Japan and South Korea, and one to Hong Kong and China. We also supported 25 inbound business delegations from around the world.



## Grants to grow exports and develop industry

We benefited from access to a range of growing international markets. By growing Queensland's food exports (see below), we supported rural economic growth and the creation of sustainable jobs.

### Rural Economic Development Grants

More than 600 jobs across Queensland are forecast to be created by 15 agribusinesses that received a share of \$3.3 million under the first round of funding of this program. The program is administered on our behalf by the Queensland Rural and Industry Development Authority (QRIDA). This is a \$10 million program over 3 years providing grants of up to \$250 000 (matched with co-contributions from the applicants) for economic development projects that are related to primary production and create employment in rural or remote areas.

In 2018–19, grants to agribusiness enterprises in the Maranoa, Lockyer Valley, Central Highlands, Toowoomba, Bundaberg, Sunshine Coast, Mareeba, Balonne, North Burnett, Western Downs and Southern Downs regions were approved under the program. Businesses include timber mills, vegetable packing sheds, nurseries and grazing enterprises.

## Growing Queensland's Food Exports

Queensland food businesses, particularly in horticulture products, are well positioned to capitalise on export market opportunities. Queensland is Australia's largest producer of vegetables (estimated value \$1.28 billion in 2018–19) and the second-largest producer of fruit and nuts (estimated value \$1.9 billion in 2018–19). In 2017, \$1.3 million (over 2 years) was allocated to the Growing Queensland's Food Exports pilot program to capitalise on this export market opportunity. Since then, the program has allocated grants ranging between \$50 000 and \$100 000 to 15 projects across the state. Grant recipients and their collaborators have invested an additional \$5.4 million in cash and in-kind contributions to the projects. The program aims to have grant recipients communicate key learnings from the individual projects to the wider industry and other food businesses in their regions.

The program, which will see the last of the projects completed in December 2020, has developed food export capability. Collaboration and engagement within food supply chains and

use of consultants and experts has seen a significant increase in both market awareness and the presence of Queensland food products in international markets. A formal evaluation will be undertaken in 2019–20 to inform the development of future programs.

Some specific examples of successes of completed projects are:

- increased interest in and market recognition of DAF-bred strawberry varieties in specific market segments in Hong Kong, Macau and Indonesia
- retail-ready macadamia products making a significant entry into the China ecommerce market with targeted market penetration strategies reaching over 4 million Chinese consumers.

## Strategy 1.2

Support the discovery, application and commercialisation of new ideas and technologies

### Contributing impact areas



Agri-Science Queensland infrastructure, strategy and business



Horticulture and forestry science



Animal science



Crop and food science

### KPI Percentage return on RD&E investment

Performance monitored by a number of DAF service standards

Table 2 RD&E investment performance indicator and complementary service standards

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Strategic plan and service standard (efficiency)	Percentage return on RD&E investment through royalty returns	4.32%	4.54%	8.12%	6.78%	5.9%
Service standard (effectiveness)	Level of funding partner satisfaction that research outcomes contribute to industry productivity growth	79%	100%	100%	96%	85%

**Notes:** The 2018–19 percentage return remained above the targeted 4%, with increased market share of DAF-bred strawberry, mango and mandarin varieties and increased royalties relating to the Rhinogard vaccine for bovine respiratory disease contributing to the strong return.

The 2018–19 level of funding partner satisfaction is lower than previous years, but is still considered satisfactory. Feedback is being used to address areas identified for improvement.

Supporting the discovery and practical application of new ideas and technologies provides benefits to producers and consumers. Producers who apply new technologies, tools and varieties remain economically viable and grow their businesses. Consumers benefit through affordable and safe food and fibre, year-round supply of food, satisfaction that food is produced in an ethical and environmentally sound manner, and export growth. Collaborative efforts, where possible, ensure that research undertaken is in line with industry needs, and lessens the barriers to realising innovation.

### Queensland agriculture and food research, development and extension 10-year roadmap and action plan

To drive innovation and promote sustainability in Queensland’s agricultural and food industries, DAF commenced the implementation of this roadmap, which aligns with the Advance Queensland agenda.

The roadmap has 14 strategies organised around the goals of increasing innovation and commercialisation, identifying and promoting agriculture and food RD&E opportunities, and supporting the sector to grow and develop new businesses. An interdepartmental committee endorsed the roadmap implementation plan on 18 April 2019.

Examples of programs and activities in the roadmap are:

- delivering numerous RD&E supporting programs (such as the Advance Queensland Industry Research Fellowships, Engaging Science Grants, Ignite Ideas Fund, IndustryTech Fund and Women’s Research Assistance Program) and providing a dedicated agricultural technology engagement officer to support the Advancing Regional Innovation Program
- promoting future career opportunities in the agriculture and food sectors, including RD&E, through *Schools of the future: a strategy for STEM in Queensland state schools* and the Agribusiness Gateway to Industry Schools program
- providing information on, and promoting, Queensland’s key research capabilities on the Queensland Science Capability Directory to provide a single entry point for potential investors and collaborators.

## RD&E investment prioritisation

Agri-Science Queensland spent \$129 million in agricultural RD&E in 2018–19 to build Queensland’s competitive advantage. Of this total, \$71 million in state government funding was invested in RD&E conducted within Agri-Science Queensland to increase the productivity, profitability, resilience and sustainability of Queensland’s agriculture, fisheries and forestry industries. This was leveraged to attract an additional \$58 million of external funding in 2018–19.

Funding was also provided to university alliances to deliver the department’s RD&E priorities where expertise was required. During 2018–19, DAF’s investment in RD&E partnerships with the university sector and Sugar Research Australia included:

- \$7.92 million with UQ in the Queensland Alliance for Agriculture and Food Innovation (QAAFI), which is a research collaboration between UQ and Queensland Government to work on key agricultural industry challenges
- \$0.95 million with the University of Southern Queensland for research on wheat and summer grain pathology, agricultural systems modelling, agricultural engineering and winter crop nematology
- \$0.36 million with the University of the Sunshine Coast in pre-harvest forestry research
- \$0.24 million with Central Queensland University, to co-fund research positions in vegetable crop protection and farming systems research
- \$0.26 million with UQ for the Centre for Future Timber Structures, to provide solutions to issues inhibiting the widespread adoption of massive timber construction in medium- to high-rise construction
- \$2.85 million with Sugar Research Australia in 19 sugarcane RD&E projects relating to critical industry issues (such as moth borers from South East Asia), using novel technologies to improve and enhance farming systems and practices, and investigating new and novel uses of sugar, sugarcane and sugarcane by-products.

Also, through DAF’s alliance, QAAFI continues to attract significant research income, reaching \$37 million in addition to DAF’s investment. QAAFI’s high-impact research is vital to industry and helps Queensland’s tropical and subtropical agriculture and food sectors remain competitive and sustainable.

## The Technology Commercialisation Fund

This pilot project was established in 2016–17. Its overarching objective is to grow jobs and create new economic activity in Queensland—in particular in regional areas—from the commercialisation of intellectual property owned by DAF and its research partners. The fund’s budget is \$3.79 million over 4 years.

A number of companies indicated interest in commercialising the following research outputs:

- access to the state's culture collection (fungal and bacterial cultures) for biodiscovery of new attributes
- creation of a high-purity protein powder using waste from sorghum ethanol production
- a plant-based, low-calorie, natural electrolyte extracted from sugarcane
- prawn shelf-life extension products
- sorghum genetics to mitigate dry conditions by reducing plant water use and maintaining yield.

Discussions are underway with those companies that have demonstrated the capability to commercialise the technologies. The companies also conduct their own market assessment and due diligence.

### Investment in RD&E to address knowledge gaps in pulse storage

Pulses and grains are staples of many developing and emerging economies. We boosted investment in RD&E for pulses to \$1 million over 2 years to 2019–20.

We continued to support vital research and innovation to improve the market potential of this sector. In partnership with other agencies, we used advanced breeding and research to develop high-yielding and resilient lines of sorghum, mung bean, chickpea, barley and forage oat that have improved tolerances to drought, pests and diseases, and improved market qualities.

Growers and bulk handlers benefited from best management practices to manage phosphine fumigant resistance in stored-grain pests, new management options for herbicide-resistant weeds and a new weed-chipping machine targeted on the removal of weeds that survive herbicide application. We supported growers, breeders and prebreeders by screening barley and wheat lines to identify lines with high levels of disease resistance.

## New chickpea and forage oat varieties launched

In 2018–19, DAF released two new varieties that boast higher yield and profitability than those previously in the market.

PBA Drummond chickpea was launched in Emerald in September 2018. It offers a significantly higher grain yield and improved harvestability than all other varieties grown in the region.

This desi chickpea variety, purpose-bred for Central Queensland, offers superior agronomic and seed quality characteristics combined with improved resistance to the important chickpea disease ascochyta.

In August 2018, Warlock, a new forage oat variety, was launched in Toowoomba to assist Queensland livestock producers.

The DAF program aims to develop and release improved forage oat cultivars with high forage yield, resistance to leaf rust, late maturity and high regrowth potential.

Higher yielding forage oat varieties increase the size of the feed base available to livestock producers, which in turn improves the profitability of farming enterprises. The new variety, Warlock, has the highest total forage yield of all forage oat varieties on the market.

Warlock has a long production season, produces vigorous growth in the early season and recovers quickly from grazing to produce a high forage yield during the cooler winter months, when farmers need to fatten cattle.

Both PBA Drummond chickpea and Warlock forage oat are now commercially available.

## Investing in a game changer—pigeon pea

Queensland Government is investing \$800 000 over 3 years to undertake innovative research to develop a new pulse crop with enhanced productivity, profitability and sustainability for Queensland's vital grains sector.

DAF researchers are developing pigeon pea as a resilient and productive new summer crop for growers who need a drought-tolerant grain legume to increase broadacre pulse production.

Queensland pulse exporters are also excited about the possibility of securing a reliable supply of high-quality pigeon pea for expanding market opportunities in South Asia.

An integrated platform of research and development is being used to identify potential genetic options and management strategies that maximise yields, reduce risks, support premium pulse exports and increase regional jobs.

The project is also fostering vital collaboration between researchers, research agencies, growers and industry to ensure the potential benefits from pigeon pea can be realised for the benefit of Queensland.

We released DAF's annual publication *Queensland grains research* as a showcase for outcomes from regional trials on agronomy, soil nutrition, weeds and farming systems to help producers and industry better address the challenges of modern crop production. Grower Solutions projects, in collaboration with industry, addressed major and emerging constraints to crop production in the Central Queensland and Wide Bay districts. Local producers in North Queensland were provided with agronomic assistance to help implement demonstration sites and foster support for an emerging grains industry.

The co-investment by Queensland Government and the Grains Research and Development Corporation through an industry trust is positioning the Tosari Crop Research Centre on the Darling Downs as a new world-class grains RD&E facility.

Examples of the impact from DAF's breeding research are outlined in the case studies on page 24.

### Investing in Bundaberg's horticulture production

Horticulture production in the Bundaberg region is worth more than \$500 million to the Queensland economy. When combined with first-stage processing, the value far exceeds this.

Queensland fruit fly is endemic to Queensland and has a serious, detrimental impact on horticulture production, and interstate and export market access. DAF has committed \$200 000 in an innovative, community-led approach to help manage fruit fly in the Bundaberg region. The pilot urban community education program, headed by Bundaberg Fruit and Vegetable Growers (BFVG), complements the existing on-farm management practices. The project engaged Bundaberg regional community groups—including five Reef Guardian Schools, gardening clubs, Bundaberg Landcare and Bundaberg Regional Council—in keeping this endemic pest in check.

The principles of community engagement and education activities developed in the pilot will be promoted to other horticulture production areas of Queensland that experience fruit fly problems.

DAF also committed \$200 000 to BFVG to conduct a pilot to increase regional horticulture data collection not currently captured in existing reports.

This pilot program has commenced compiling an economic profile of the horticulture industry in the region through the collection and analysis of production data via a web-based application system. In 2018–19, BFVG worked with developers on the design of this custom, fit-for-purpose system for a stakeholder rollout in July 2019. Initial data capture will target the avocado, macadamia, sweetpotato, mango, lychee, strawberry and blueberry industries.

The design of the pilot program shows potential to be transferable to other agricultural industry sectors and regions. More accurate local sector data allows horticulture producers to attract investment and open new opportunities at the state, national and overseas levels.

## Strategy 1.3

Continue to build Queensland's biosecurity system's capability to protect the economy, the environment and community from biosecurity risks

### Contributing impact areas



**Biosecurity  
external**



**Fisheries**

Each year Queensland combats more biosecurity incursions than any other state. The number, scale and scope of recent pest and disease incursions highlights the pressure Queensland's biosecurity system is under, requiring greater biosecurity capability and capacity across industry and the community.

## Saleyards Project

With assistance from Biosecurity Queensland and Animal Health Australia, Maranoa Regional Council's Roma saleyards developed a biosecurity plan and a livestock standstill action plan to enhance their emergency animal disease preparedness.

An exercise at the saleyards explored the impact of a national livestock standstill invoked during an 8000-head livestock sale. Participants included 37 members of the livestock marketing, saleyards and transport industries, as well as representatives from peak bodies including the Australian Livestock Markets Association and the Australian Livestock and Property Agents Association. These stakeholders worked with counter-disaster management personnel from the Queensland Police Service, Queensland Fire and Emergency Services, Biosecurity Queensland and Maranoa Regional Council.

The exercise gave participants better understanding of their plans and the impact of an incursion. Participants acknowledged the support provided by disaster management agencies and the opportunity to work together to improve emergency animal disease preparedness. Feedback from the exercise was very positive, enabling participants to clarify their roles in an emergency animal disease response. Biosecurity Queensland, with their partners, plan to hold more events throughout the state.



Participants in the Saleyards Project from Biosecurity Queensland, Animal Health Australia, Australian Livestock and Property Agents Association, Roma saleyards, Frasers Livestock Transport and Scotts Haulage Ltd

## Biosecurity strategy and action plan

The *Queensland biosecurity strategy: our next five years 2018–2023* articulates the direction and priorities for biosecurity in Queensland. The strategy focuses on ways that all partners in the system can be activated to help manage biosecurity risks. The strategy addresses six themes:

1. collaborative governance and leadership
2. every Queenslanders plays their part
3. empowered to act
4. bright ideas and better ways
5. valuing and building on our investments
6. better intelligence systems.

To provide strategic oversight of Queensland's priorities within the national biosecurity system and monitor Biosecurity Queensland's service delivery against the themes of the strategy, the process to refresh the Biosecurity Queensland Ministerial Advisory Council commenced.

## Enhancing biosecurity capability and capacity in Queensland

In 2016–17, Queensland Government allocated \$10.8 million over 4 years to implement the recommendations in the 2015 *Queensland biosecurity capability review*.

Seven priority projects were designed under the Biosecurity Capability Implementation Program to build capability and capacity in Biosecurity Queensland, with the ultimate goal of building the capability of the entire system. The projects commenced in 2016 and most will continue until 30 June 2020. A mid-term review of the seven priority projects ensured that they are on track. Key progress in 2018–19 included:

- a new marine pest preparedness education and awareness campaign and enhanced marine preparedness by ports following a marine pest response exercise
- piloting of shared governance structures for the management of invasive plants and animals at the regional level
- delivery of a report highlighting how cross-border biosecurity emergencies can be dealt with by both states
- work towards accreditation by the National Association of Testing Authorities for key diagnostic tests for selected plant pathogens
- skills mapping and workforce capability development plans to manage organisational capability within Biosecurity Queensland.

The Saleyards Project demonstrates the benefits of biosecurity plans and exercises in building capability.

## Ensuring the welfare of companion animals

The Animal Welfare Advisory Board was commissioned to conduct a review and provide recommendations to Queensland Government on further actions required to ensure the welfare of companion animals. The Companion Animal Welfare Review was limited to considering the welfare of dogs and cats, because they are the majority of animals that are kept as pets in Queensland.

The final review report, provided on 28 April 2019, included the following:

- The *Animal Care and Protection Act 2001* should be reviewed to address the issue of tethering of dogs.
- The development of animal welfare standards and guidelines for cats and dogs is not considered necessary.
- Non-legislative strategies, such as targeted advertising and educational campaigns, should be considered to tackle the issue of dogs in hot cars.
- A better understanding of the nature and extent of animal welfare complaints will enable education to be better targeted at high-risk situations with the aim of reducing cruelty.

The report's recommendations and findings are being considered and options for further actions are being explored.

## Strategy 1.4

Ensure department activity/regulation provides the foundations for a strong business environment, balancing economic, ecological, social and biosecurity imperatives

### Contributing impact areas



Strategic policy  
and planning



Biosecurity  
external



Fisheries



Forestry

### KPI Improved regulatory frameworks

From 2018–19, performance is monitored under the Queensland Government Regulator Performance Framework (see Appendix 1) together with a DAF service standard (Table 3)

DAF had extensive responsibilities maintaining and managing portfolio legislation (see Appendix 5). The majority of the department's regulatory activity is in five broad areas:

1. agricultural chemicals and veterinary medicines (agvet chemicals)
2. animal welfare and management
3. biosecurity
4. fisheries management
5. forestry management.

**Table 3** Service standard—average cost to conduct regulatory policy and reform activities

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (efficiency)	Average cost per hour to conduct regulatory policy and reform activities	Not measured	\$70	\$69	\$71	\$76

**Note:** The cost for this efficiency measure is based on employee expenses for staff responsible for regulatory policy and reform.

## Strategy 1.5

### Optimise benefits from fisheries and state-owned forestry

#### Contributing impact areas



Fisheries



Forestry

DAF is responsible for managing fisheries and state-owned forest products in a way that optimises benefits for Queenslanders, while ensuring future generations can continue to profit from these community resources. Commercial, recreational and charter fishing all contribute to local economies and the state's economy.

#### Fisheries

Charter fishing is now formally recognised as a sector under the *Fisheries Act 1994*. There are charter fishing representatives on three working groups including the tropical rock lobster, reef line and rocky reef working groups. The *Charter fishing action plan 2018–2021*, released in August 2018, also outlined actions to develop regional tourism opportunities.

Six land-based marine aquaculture development areas (ADAs), totalling approximately 7048 hectares, were identified in January 2019 to promote and grow the \$114.2 million aquaculture industry in Queensland.

#### Queensland Government policy on the future of timber production in state-owned native forests

State-owned native timber helps support Queensland's regionally based timber processing industry. DAF allocates and sells state-owned native timber through sales permits issued under the *Forestry Act 1959*.

A range of short-term and long-term sales permits are in place across Queensland, including in South East Queensland, where long-term sales permits for native hardwood sawlogs expire on 31 December 2024. The future supply of native timber resources is a key issue facing the native timber industry in Queensland. A policy about the future of timber production in state-owned native forests is under development. Consultation with the forest and timber industry and other stakeholders is expected to occur later in 2019.



## Objective 2

# Assist people in agriculture, fisheries, forestry and rural businesses to respond to challenges and protect environmental values

Queensland's agriculture, fisheries and forestry industries, and associated food industries, are critical to the state's economy. They form the economic and jobs backbone of many rural and regional Queensland communities.

Changes in climate have contributed to diverse and extreme weather events—continued drought, fires, extensive flooding and cyclones—and biosecurity issues in Queensland. These events posed risks to production for agribusinesses in Queensland, impacting along the supply chain. Our programs and initiatives were extensively called upon this year to assist agricultural, fisheries, forestry and rural businesses to respond and recover.

Queensland's proximity to northern neighbours, its extensive coastline and its diverse climatic and geographic conditions (conducive to pest and disease establishment) means we are the frontline state for dealing with biosecurity threats. Queensland Government contributes to a strong national biosecurity system that provides an agreed national framework to manage the governance of, funding for and response to incursions of exotic animal and plant pests and diseases.

## Strategic risks and opportunities

- **Climate**—the frequency and duration of extreme weather events impacts on the ability of the sector and the department to direct resources to growth opportunities.
- **Biosecurity threats**—greater global movement of goods and people increases the transmission of exotic pests and diseases, which may significantly affect the economy and the environment, compromising our disease-free reputation and restricting market access.
- **New technologies**—new technologies to detect threats and improved modelling, supported by increased processing power and big data, can help DAF prevent the spread of biosecurity diseases and pests, improve fisheries management, assist producers to improve decision-making and better predict climatic risks, leading to increased productivity.
- **Strategic partnerships**—strengthening partnerships with research organisations, industry bodies and other government agencies enables DAF to leverage expertise and share resources aimed at increasing innovation, promoting rural economic development and growing business and public confidence in DAF's strategic direction for the sector.

## Key performance indicators

- Business improvement attributed to DAF's products and services
- Percentage of significant biosecurity response programs delivering agreed outcomes

## Cross-government commitments

The following intergovernmental agreements influenced the way DAF delivered these services.

### Intergovernmental Agreement on National Drought Program Reform

Under this intergovernmental agreement, the states and territories deliver in-drought business support such as farm business training, coordinated and collaborative social services, and tools and technologies to inform farm decision-making, with the aim of increasing producer drought preparedness and providing in-drought family health and community support. The range of measures introduced during this drought as part of the Drought Assistance Package supported some of the objectives of the intergovernmental agreement.

### Intergovernmental Agreement on Biosecurity

The Intergovernmental Agreement on Biosecurity establishes nationally agreed approaches to mitigate risks across the biosecurity continuum and identifies national priorities for action. The agreement helps the federal, state and territory governments avoid unnecessary duplication of biosecurity activities, improve the efficiency of resource use and clarify their respective roles and responsibilities. National cost-sharing arrangements are outlined in subsidiary response deeds and agreements. The Intergovernmental Agreement on Biosecurity is linked to international agreements.

## Results and work program

The following section outlines DAF's performance aligned to the strategies in the strategic plan under Objective 2 and the priorities outlined in the 2018–19 DAF Service Delivery Statement.

### Strategy 2.1

Support development of a modern and capable workforce to meet agribusiness labour needs

#### Contributing impact area



**Strategic policy  
and planning**

### Rural Jobs and Skills Alliance and the Queensland Agriculture Workforce Network

Queensland's agricultural sector has an ongoing demand for skilled workers.

The industry-led Rural Jobs and Skills Alliance is coordinated by the Queensland Farmers' Federation and brings together multiple peak bodies as well as poultry, irrigation, forestry and timber stakeholders. The alliance has developed strong links with state and federal employment and training agencies and is recognised as a key source of labour market and training intelligence and advice.

The Queensland Agriculture Workforce Network, a regional network of industry-based agricultural workforce officers, worked directly with producers and the supply chain to assist in addressing recruitment and skilling issues.

Collectively, these initiatives have contacted over 8000 farm business owners and employees and over 6000 potential new employees, influencing over 1300 positive employment and training outcomes since 2016.

## A new approach to vocational educational and training in the agricultural sector

Vocational training is essential to meet performance and emerging challenges for workers, agribusiness and the state's economy. These challenges include workforce ageing, where years at work are lengthening, and changes arising from the ongoing introduction of automation and artificial intelligence, where work content and work conditions are shifting. This is as important for young people discovering the world of work as it is for older people.

Difficult but necessary decisions to review and cease traditional methods of delivering agricultural and rural skills development occurred in 2018. DAF established a designated project management office (PMO) in response to Queensland Government's decision to close Queensland Agricultural Training Colleges (QATC) from December 2019 and transition to more modern, cost-effective and diverse training provisions that meet the needs of communities in central and western Queensland.

This decision was based on the findings and recommendations of the Coaldrake *Review of the future of vocational education, training and skilling in central-western Queensland*. The PMO will work with the QATC Board and executive and other stakeholders to develop a transition strategy, including a plan for future use of all QATC educational and production assets and resources. A key function of the PMO was to initiate the formation of local community stakeholder committees in Emerald and Longreach to provide advice and inform this strategy's development.

The Department of Employment, Small Business and Training funds the Gateway to Industry Schools program. DAF project manages the Agribusiness Gateway to Industry Schools component of the program.

Queensland Government, in its recently released *Skills for Queensland: great training for quality jobs*, announced an expansion of the Gateway to Industry Schools program. The expansion is focused on general growth of all six existing projects including Agribusiness Gateway to Industry Schools. The expansion also includes new projects in industry and occupational fields that are rapidly growing, including screen and media, information and communication technology, health and community services.

### Strategy 2.2

Engage and partner with agribusinesses to capitalise on opportunities for innovation, growth and export development

#### Contributing impact areas



Animal science



Crop and food science



Horticulture and forestry science



Biosecurity external



Rural economic development

#### KPI

Business improvement attributed to DAF's products and services

Performance monitored by a DAF service standard, together with qualitative case studies of the work in innovation, growth and export development

**Table 4** Service standard—improvements due to RD&E

Indicator	Measure	Results 2018–19
Service standard (effectiveness)	Assessed impact of completed agricultural RD&E projects and/or programs (benefit–cost ratio)	5.41

**Note:** A new measure in 2018–19 provides an estimate of benefits for the industry and the broader community associated with efficient food and fibre production generated by the use of DAF’s agriscientific research outputs relative to the cost of the overall investment. Annually a sample of completed projects will be independently assessed using the methodology outlined in the Council of Rural Research and Development Corporation’s Impact Assessment Guideline and the results will be aggregated to report on this measure.

Research and technology innovations underpin a sustainable, productive and profitable agriculture and food sector. They provide benefits across the supply chain, generate jobs in rural communities, strengthen the economy and benefit consumers.

The *Queensland agriculture and food research, development and extension 10-year roadmap* (see page 22), developed as part of Queensland Government’s Advance Queensland initiative, provides the blueprint and direction for the state’s RD&E investment, to support innovation and increase growth and export opportunities.

### Returns from commercialised new horticultural varieties

DAF contributes significantly to agricultural product innovations through our breeding programs and other initiatives that grow the market share and value of these products. DAF operates a range of industry-supported fruit, nut and vegetable breeding programs that develop new varieties adapted to Queensland conditions. These new varieties help producers meet changing consumer demands, increase productivity, grow regional economies and boost exports.

**Mangoes**—DAF scientists worked with the mango industry to develop mango varieties with improved fruit productivity, lower tree vigour and increased disease resistance. DAF-developed mango varieties currently make up 51.7% of Australian production. The R2E2 and Calypso varieties make up 17% and 34.7% of Australia’s fresh mango production respectively. Calypso has high fruit quality and high productivity compared with other standard varieties. R2E2 is Australia’s most exported mango variety. Worldwide sales of Calypso mango in the 2018–19 season were valued at \$70.7 million.

**Strawberries**—The strawberry industry continued to benefit from the DAF-led national variety improvement program. Co-funded by industry, this program produced outstanding subtropical, temperate and Mediterranean strawberry varieties for year-round strawberry production. In 2018, varieties from the Australian Strawberry Breeding Program captured over 70% of the Queensland market and 19% nationally. In 2018, total sales of strawberry runners increased by 25% to approximately \$55 million in Australia, with just under 70% of these coming from the breeding program.

The DAF-bred variety Red Rhapsody had exceptional uptake by the Queensland industry, accounting for over 60% of runners planted. It has been described as a ‘game changer’. Retailers reported a sevenfold decrease in discards of Red Rhapsody compared with the standard discard rate. Sundrench, Parisienne Kiss, Sunglow and Scarlet Rose varieties also experienced growth, with increased commercial plantings in Queensland.

A new 5-year breeding program commenced in 2018. In addition to producing new varieties for the domestic market, the program will focus on varieties suitable for export.

**Pineapples**—Our fresh-market pineapple-breeding program has helped the industry to transition from the processing market to a predominantly fresh market. The fresh market now comprises 63% of the industry, with room for substantial expansion. DAF’s varieties are popular with consumers due to their superior flavour characteristics. Aus-Jubilee and Aus-Festival made up 2.3% and 1% of the fresh market respectively.

**Macadamias**—We released four new macadamia varieties to the \$280 million industry in March 2017. Commercial plantings of the first trees are expected in the second half of 2019. The new varieties are the result of a 23-year breeding program and offer up to 30% higher yields than the industry standards and superior nut quality characteristics to increase profitability. Initial interest in the new varieties is high, with over 55 000 trees pre-ordered.

**Mandarins**—Commercial production commenced for two new selections from the mandarin breeding program. Three new easy-peel hybrid mandarins are under on-farm testing, with one (11CO17) already in production. These hybrids have excellent flavour with low seed numbers and high yields in Queensland’s subtropical environment.

### Setting directions to accelerate innovation

In 2018–19, DAF aimed to accelerate sector uptake of innovation, build on past success and strengthen collaborative partnerships to tackle complex and longer term challenges.

- We supported the Agricultural Ministerial Advisory Council (AgMAC), which met three times during the year. AgMAC provided strong leadership on key issues facing the sector, such as protecting agricultural land, managing biosecurity and investigating the feasibility of abolishing stamp duty on agricultural insurance products.
- We hosted the AgFutures 2018 Innovation and Investment Forum on National Agriculture Day, 21 November 2018. Industry professionals, researchers, investors, innovators, government and other interested stakeholders came together to collaborate and explore ways to advance agricultural technology and attract investment. Showcases included organic beef production and the use of supermarket-rejected bananas to create a new business in green banana flour.
- We grew our own innovation culture by giving DAF staff an opportunity to demonstrate innovative approaches, collaborate with each other, researchers and producers and kickstart good ideas through the DAF Innovation Showcase, the DAF Digital Roadshow and the Innovation Fund. These activities help realise the goals of *FutureDAF*.
- We released the *Growing for Queensland discussion paper* in June 2019 and commenced a series of forums, interviews, online conversations and ideas boards to agree on a strategy to accelerate the development of agribusiness and the food industry in Queensland. The *Growing for Queensland* strategy will set DAF’s direction over the coming years and complement actions already underway through the strategic directions set for biosecurity, fisheries and research and development.



The high-density mango tree planting at Walkamin Research Facility, North Queensland

## New orchard practices set to transform Queensland’s mango industry

DAF scientists have achieved mango yields five times higher than the average commercial yield in a high-density planting trial at the Walkamin Research Facility, North Queensland. The trial planting is part of the Small Tree High Productivity Initiative, which is partly co-funded by Hort Innovation through the ‘Transforming subtropical/tropical tree crop productivity (A13004)’ project.

Queensland’s mango industry is increasing—its gross value of production is estimated to be \$113 million in the 2018–19 financial year. However, despite good growth, low and variable yield is an ongoing commercial problem.

Over the last 30 years, the apple industry has overcome poor productivity by shifting to high-density tree plantings in a process called ‘orchard intensification’. Using these learnings from the apple industry, DAF scientists are trialling new practices to increase mango industry productivity, with the longer term goal of improving international competitiveness and export growth of Queensland mangoes.

The research team established the mango trial at Walkamin 5 years ago to identify orchard systems that have potential for improving productivity and profitability. The results are good news for the industry. Along with achieving a fivefold increase in yield, in the 2018–19 season the team met their yield target of 50 tonnes per hectare in a high-density planting of Keitt mangoes.

DAF scientists are currently working with industry to test the potential of high-density plantings to increase mango productivity on commercial farms within the ‘Transforming mango futures’ project, funded through CRC for Developing Northern Australia. The project team have planted trial blocks on grower properties in Bowen, Mareeba and Katherine, and the first preliminary results are due in 2019–20.

## Strategy 2.3

Work with rural communities to identify regional economic opportunities and improve rural business competitiveness

### Contributing impact area



#### Rural economic development

Many rural communities continued to face difficult times with persistent drought, floods and fires. Despite this, rural communities maintain a strong interest in working on initiatives to secure a better future.

### Rural Economies Centre of Excellence

The Rural Economies Centre of Excellence, funded by DAF, is co-located in seven rural centres—Toowoomba, Gatton, Rockhampton, Emerald, Townsville, Cairns and the Atherton Tableland—as well as in Brisbane. It brought together some of Queensland's best economic analysts, rural business development specialists and policy and regional economic development practitioners.

The centre is focused on rural economic performance and improvement, and its priority work program identified five key themes for staged implementation: economic tools, business innovation, value chains, policy development, and translation and engagement.

The university consortium partners (the University of Southern Queensland, Central Queensland University, James Cook University and UQ) agreed to fund the centre for an additional 2 years to extend this to a 5-year initiative and to tangibly support the centre's ongoing development.

### Agricultural development and extension project initiatives

Our network of regional officers supported a diverse range of agricultural development project initiatives across the state. Examples include:

- working with Tasmanian salmon producer Tassal, who are diversifying into the aquaculture of black tiger prawns in Queensland
- working with the Nursery and Garden Industry Association and Nambour Alliance Incorporated to investigate the feasibility of expanding the intensive horticulture sector on the Sunshine Coast
- supporting the FNQ Food Incubator project to provide a mechanism to support both existing and emerging businesses to convert their ideas into commercial products
- with Trade and Investment Queensland, assisting Qualipac with trade and market opportunities for expansion through the Inglewood vegetable packing facility.

## Strategy 2.4

Increase the capacity of agribusinesses to respond to production risks and adapt to changes in climate

### Contributing impact areas



Animal science



Crop and food science



Horticulture and forestry science



Agri-Science Queensland infrastructure, strategy and business



Rural economic development



Biosecurity external



Biosecurity internal

Secure availability of safe, fresh and diverse food and fibre supply underpins Queensland's global reputation as a high-quality exporter. Secure supply is also fundamental to meeting the government's priority to **Keep Queenslanders healthy**. The 2018–19 year featured difficult conditions, disasters, food tampering and biosecurity incidents that saw DAF, industry and the community unite to minimise disruption to food production and supply. Responses included:

- reviewing and strengthening the *Biosecurity Act 2014* to enhance on-farm biosecurity
- the 'strawesome' winter marketing campaign to restore confidence in the state's strawberry supply
- **#eatqld**, a high-profile social media campaign showcasing the diverse range of meat, seafood and produce grown in Queensland and encouraging locals to support their regional producers (with partners Woolworths, Clubs Queensland, Eat Street Northshore and the RNA, who help maximise the campaign's reach)
- briefing industry on the draft report of the KPMG investigation into the feasibility of abolishing stamp duty on agricultural insurance products (commissioned by Queensland Government); industry feedback is informing the final report, due in July 2019.

## Strawberry tampering response

DAF played a critical role in supporting Queensland's strawberry industry during and following the September 2018 strawberry tampering. Our contribution, as part of the whole-of-government response led by Queensland Health and the Queensland Police Service, included providing a dedicated team that engaged with industry and managing the \$1 million industry recovery package provided by the state.

We led the Queensland Strawberry Industry Back to Market Working Group, which included representatives from strawberry supply chain business, industry and DAF, and provided industry recovery support and assistance in preparedness for future events. The state's industry recovery package allocated funds to projects aimed at restoring consumer confidence and safeguarding supply chain integrity,

and provided support for the Queensland Strawberry Growers' Association and Growcom with industry recovery activities.

Stakeholders positively acknowledged our responsiveness and expertise in managing critical incidents. Our technical and industry knowledge and positive relationships with the strawberry industry contributed to the rapid containment and restoring of confidence.

Queensland's strawberry industry has reported positive signs of recovery, evidenced by the return of consumer confidence and improved returns to growers. Industry recovery has also been assisted by the 'strawesome' winter marketing campaign, which was launched by the Minister for Agricultural Industry Development and Fisheries in June 2019.

## Northern and western Queensland monsoonal event

In February 2019, northern and western Queensland received record rainfall and unseasonally cold weather, which led to devastating impacts in the region including damage to infrastructure and crops and a large number of livestock deaths. The mobilisation was a whole-of-government effort, with many of DAF's regional and central office staff playing a pivotal role in the response and recovery.

Staff from our North Region and the Land Management Unit in Brisbane managed DAF's initial response following the activation of the *Queensland state disaster management plan*. We worked closely with local government and industry to monitor and report on the impact of the evolving disaster as it unfolded across the north of the state. Data on impact to primary producers was collected on DAF's Disaster Assessment App and reported to the State Disaster Coordination Centre through daily regional and state situation reports.

As the impacts of the monsoon event shifted from the coast to the north-west of the state, the DAF State Coordination Centre (SCC) stood up to coordinate cross-government communication and efforts targeted at producers. Through the SCC, facilitated by Biosecurity Queensland, executive and secretariat support was provided for the statewide recovery effort.



DAF and Australian Defence Force staff coordinating the response effort

Credit: Australian Defence Force

Regional Biosecurity Queensland and Agri-Science Queensland staff joined with local governments and the Australian Defence Force to direct practical assistance to affected producers. Priorities were the appropriate disposal of carcasses, animal health and welfare management, management of the Nelia train derailment, the distribution of personal protective equipment and coordination of fodder drops across the affected shires.



Australian Defence Force dropping fodder at an affected property

Credit: Australian Defence Force

Through the Queensland Reconstruction Authority, DAF secured the activation of assistance under the joint Australian Government – State Disaster Recovery Funding Arrangements, which are administered in Queensland by QRIDA. Categories of assistance are:

- Category B concessional loans and freight subsidies
- Category C clean-up and recovery grants, including additional grants of up to \$400 000 to support restocking, replanting or the repair of on-farm infrastructure
- for the north-western Gulf regions, also Category D (jointly funded by the Australian Government and Queensland Government) under the \$242 million North West Queensland Beef Recovery Package, which provides
  - enhanced concessional loans of up to \$1 million with flexible interest and repayment options
  - enhanced freight subsidies of up to \$100 000 per property to support restocking and agistment
  - an industry recovery officer and financial counsellor program, through which recovery officers and financial counsellors support producers in accessing available assistance and managing the financial aspects of recovery.

Feedback on DAF's response efforts was very favourable. The acting Australian Chief Veterinary Officer said at the time of the event:

'You and your colleagues at DAF SCC have done a wonderful job with getting information out so quickly to support all the people in the flood-affected shires. The teleconferences run like clockwork, the agenda items are finalised quickly, and the level of respect and cooperation between the different agencies on the ground in Queensland is inspiring.'



## Drought

In contrast to the wet in the northern and western parts of the state, drought conditions persisted across many other parts of Queensland, especially southern parts of Queensland, which have seen extremely low rainfall. As at 3 June 2019, 65% of the state is drought-declared. In 2018–19, DAF provided \$18.51 million in drought relief under the Drought Relief Assistance Scheme (DRAS) and rebates under the state-funded Emergency Water Infrastructure Rebate. Of this, \$16.42 million was provided directly to producers for freight subsidies and rebates under the Emergency Water Infrastructure Rebate. DAF processed 4054 claims for assistance in 2018–19.

DRAS is the largest component of the multi-agency Drought Assistance Package. The Drought Assistance Package also provided relief from electricity charges, land rent and water licence fees, as well as rural financial counselling and mental health support and community and educational assistance. It also assisted charities to deliver fodder and other services to drought-affected communities.

**Table 5** DRAS performance

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Condition	Percentage of state drought-declared	80.3%	83.9%	66.27%	57.4%	65%
Business measure (quantity)	Number of applications received	7636	4294	1691	2628	4054
Business measure (timeliness)	Percentage of customers whose application for business assistance as a result of natural disaster or drought is processed within 21 days	90%	97%	98%	95%	94%
Service standard (effectiveness)	Investment in the management of DRAS as a proportion of the total claims paid under the scheme	Not measured	Not measured	Not measured	8%	6.74%

**Note:** The drought declarations figure is at June each year (Source: Queensland Government, [longpaddock.qld.gov.au](http://longpaddock.qld.gov.au)).

The methodology for investment in the management of DRAS is assessed by the cost of claims paid to eligible producers divided by administration costs. Administration costs include salary, IT and phone costs of temporary staff and percentage of salary and IT costs of permanent staff based on time spent processing claims. Also included are audit costs and Information and Technology Partners maintenance of the Drought and Disaster Assistance Management System (DDAMS) database.

Drought reform remains a priority for the government, to ensure primary producers are better equipped to adapt and be resilient in a changing climate. An independent panel comprising Ruth Wade (former Chief Executive Officer of the Queensland Farmers' Federation) and Charles Burke (former Chief Executive Officer of AgForce) was engaged in August 2018 to conduct the Queensland Drought Program Review.

Statewide consultation processes, including 7 regional forums and over 60 written submissions, informed the review's recommendations. Independent consultants Marsden Jacob Associates were separately engaged to evaluate the effectiveness and efficiency of the existing Queensland drought programs.

The panel made 20 recommendations around each of the existing drought assistance programs, confirming the importance of long-term preparedness, sustainability, resilience and risk management for farming businesses and farming communities in future drought support programs.

In response to the recommendations, Queensland Government committed to maintaining existing levels of drought assistance for the current drought and to starting the process of reform.

One of the key recommendations accepted was the implementation of a new drought severity index. This will transition Queensland's drought declarations to a more objective, science-based framework by 2021. Another was to continue the important work already started in the \$21 million Queensland Drought and Climate Adaptation Program. This program is already providing improved weather forecasting, helpful tools and on-the-ground extension services across Queensland.

## Strategy 2.5

### Lead Queensland's biosecurity preparedness and responses

#### Contributing impact areas



**Biosecurity external**



**Biosecurity internal**

#### **KPI** Percentage of significant biosecurity response programs delivering agreed outcomes

Performance monitored by a range of DAF service standards

**Table 6** Performance indicator and complementary service standards—significant biosecurity responses

Indicator	Measure	Results 2018–19
Business measure (activity)	Number of significant response programs	10
Service standard (effectiveness)	Proportion of significant biosecurity responses that deliver the planned outcomes to safeguard economic loss <sup>1</sup>	100%
Service standard (effectiveness)	Level of satisfaction with biosecurity partnership performance <sup>2</sup>	3.06
Service standard (efficiency)	Cost of significant biosecurity responses per agricultural production unit <sup>3</sup>	1:696
Service standard (efficiency)	Cost of core biosecurity services per agricultural production unit <sup>4</sup>	1:288

**Notes:**

1. This is a new measure that provides an assessment of the initial effectiveness of biosecurity decision-making and responses. Significant biosecurity responses include nationally cost-shared responses and other responses agreed to by other parties including industry and other government agencies that have a cost-benefit analysis undertaken as part of the funding approval process. A response to a biosecurity incident is considered to have met the expected rate of return if the goals of the response plan have been achieved within the specified terms and period. Where a further agreement and terms are agreed, this is reported as a new response.
2. This measure assesses the effectiveness of the intended partnership arrangements. Five key dimensions of satisfaction are measured, including mutual trust, clarity of purpose, collaboration, role clarity and empowerment of responsibility as well as overall satisfaction with the partnership arrangements.
3. This measure is calculated and expressed as a ratio of the 5-year average of the gross value of production (GVP) over the expenditure of significant incident responses delivered in a given year. The GVP is the value of primary industry commodities produced to the farm gate. Expenditure on biosecurity incident responses can vary significantly between years depending on factors such as the number, size and location of incursions detected during the year.
4. This measure is calculated and expressed as a ratio of the 5-year average of the GVP over the base-funded expenditure for core biosecurity services. Core biosecurity services include animal and plant biosecurity, invasive plants and animals, policy and corporate support services. A ratio is used to demonstrate the link between the value of the industry/sector safeguarded/protected and the investment in biosecurity services.

A collaborative approach to the management of animal and plant pests and diseases—as a shared responsibility between federal, state and local governments, industry and members of the community—brings recognised benefits. National cost-sharing agreements outline the contractual arrangements between the federal, state and territory governments and industry for conducting national biosecurity responses. Similar arrangements have also been established with industry to manage responses to incursions that do not fall under the existing national arrangements.

Biosecurity Queensland works closely with its stakeholders and the community to maintain a strong biosecurity system. During 2018–19, DAF demonstrated its capacity to meet service requirements by effectively responding to 60 biosecurity incidents, compared with 47 incidents in 2017–18.

### National agreements and partnerships

Biosecurity Queensland played a lead role in delivering nationally agreed activities to protect the rest of Australia from the significant economic, environmental and social amenity impacts of pests. In 2018–19, Queensland was party to 16 national cost-sharing agreements and led 7 programs in Queensland:

- National Red Imported Fire Ant Eradication Program
- National Electric Ant Eradication Program
- National Four Tropical Weeds Eradication Program
- National Red Witchweed Eradication Program
- Exotic Fruit Flies in Torres Strait Eradication Program
- National Varroa Mite Eradication Program
- Browsing Ant Queensland—Port of Brisbane.

Funding of \$56 million was committed nationally to deliver these programs in 2018–19. Queensland committed \$16.6 million to the total. Queensland also committed \$2.2 million to nationally cost-shared programs delivered in other states and territories.

The largest of the programs is the National Red Imported Fire Ant Eradication Program and the most remote is the Exotic Fruit Flies in Torres Strait Eradication Program. Progress on these programs is outlined in the following case studies.



## Northern biosecurity initiative

The *Torres Strait and Northern Peninsula Area biosecurity strategy*, released in November 2018, was developed in collaboration with regional stakeholders. The strategy provides a framework for how regional stakeholders—including government, Traditional Owners, local residents and visitors to the region—can manage biosecurity threats.

Programs targeting biosecurity risk pathways are being implemented with the support of the successful Indigenous Trainees Program, which will see additional staff employed and trained to work with local communities in the region. These officers will help to build on local knowledge to enhance surveillance reach within this remote region.

Programs such as the Exotic Fruit Flies in Torres Strait Eradication Program are key components of Australia's defence against exotic pests. This program has prevented outbreaks of exotic fruit flies on the Australian mainland.

**Shirley Bond and Trevina Lifu, DAF-funded biosecurity trainees, explaining the importance of assessing sentinel cattle herds for exotic diseases**

## National Red Imported Fire Ant Eradication Program

International experts agreed that eradication of these ants remains achievable and technically feasible against the National Environmental Biosecurity Response Agreement criteria. National funding of \$411.4 million was committed to the 10-year eradication strategy. Biosecurity Queensland successfully implemented its second year program of work.

Six genetically separate incursions of fire ants have been identified in Queensland. Three incursions have been eradicated—Yarwun in 2010 and 2016 and the Port of Brisbane in 2012. Two incursion sites, at Brisbane Airport and the Port of Brisbane, are expected to be declared pest-free later this year.

As the program progresses, operational adjustments are expected.

During 2018–19, the program’s budget was reprioritised to address five infestations identified in 2017–18 outside of the operational boundary. The western boundary was extended by 5 kilometres to capture an additional 17 detections. These detections fell within the margin-of-error tolerance for determining the treatment area boundaries.

The program’s finite resources are focused on eradication strategies, working from west to east—from the western boundary of the infestation, through Ipswich and Logan and ending in Redlands. The best available scientific advice to the program indicated that the strategy of moving from west to east, taking a systematic approach, would give us the best chance of eradicating the pest completely.

The program strategy is informed by scientific evidence and a growing body of knowledge that helps optimise treatment regimes, bait efficacy and movement controls across four treatment areas and their outer boundaries. The program applies up to six rounds of treatment, assessing the efficacy of each treatment round to determine if further rounds are necessary. Scientific evidence suggests that the treatment already undertaken has weakened the genetic diversity of the ants more widely, increasing the pressure on this pest.

In partnership with all Australian jurisdictions, Queensland Government remains committed to the eradication of fire ants in Queensland, to safeguard Australia’s human health and lifestyle, agricultural sectors, ecosystems, and the construction and tourism industries.

Some of the major activities and outcomes for 2018–19 were:

- Two rounds of bait treatment were applied in the eradication treatment area.
- One monitored site in the eradication treatment area indicated that after four rounds of bait treatment, only one of the 35 live nests remained. Ants in these nests showed signs of being bait-affected—displaying low aggression and disorientation—which indicated that the nest was in severe decline.
- Increased community awareness and a new online reporting tool contributed to the receipt of 9380 public reports of suspected fire ants.
- Increased communication and stakeholder engagement activities raised awareness. These included 2331 participants from industry, local government and state government undertaking awareness training. Community forums, interactive and static displays and increased media stories also raised awareness.
- Training commenced for external pest management technicians, enabling them to join the fight against fire ants and provide self-treatment options for landholders.
- A new consolidated headquarters was established at Berrinba to co-locate staff, improving functional and practical collaboration across the program.



Biosecurity Queensland staff spreading bait to eradicate red imported fire ants

## Other significant biosecurity responses and eradication programs

Other responses to biosecurity incidents identified during the year included:

- anthrax in cattle
- Panama disease tropical race 4
- West Indian drywood termite
- Asian green mussels
- Mozambique tilapia and spotted tilapia
- white spot disease in prawns.

These responses will require ongoing activity in 2019–20 and beyond, to ensure these pests and diseases have been controlled and/or eradicated in Queensland. The following two case studies highlight the complexity for the state and industry in dealing with biosecurity incursions.

### Panama disease tropical race 4

Since Panama disease tropical race 4 was first detected in Far North Queensland in 2015, DAF and the Australian Banana Growers' Council have worked together to protect Queensland's \$580 million banana industry. Queensland Government has invested over \$41 million since the first outbreak to manage the disease in Queensland.

Panama disease tropical race 4 cannot be eradicated, nor reliably detected from soil and water samples. The program aims to limit its spread to allow time for the industry to adjust to farming in the presence of the disease.

Based on recommendations from an independent review to develop a shared funding and delivery arrangement between government and industry over the next 3–5 years, a formal partnership agreement is currently in development. As part of the agreement, Queensland Government has allocated an additional \$12.1 million for continuation of the program until 2022–23.

The program's surveillance teams have walked over 150 000 hectares looking for the disease on both infested and at-risk properties, and have taken over 2000 samples for testing. Communication and education activities continue to raise awareness and build capability within the community and industry to prevent and recognise the disease.

The industry partnership has been critical to Queensland's successful control and containment of the disease to three farms in 4 years.

The program is building the capacity of the two infested farms still operating to self-manage their biosecurity requirements. Ongoing compliance audits will be conducted to minimise any risk to the broader industry.

### White spot disease in prawns

The detection of white spot disease in December 2016 resulted in a significant biosecurity response. Proof of freedom from white spot disease has been the main focus of the program and its activities in 2018–19. Extensive surveillance and diagnostic testing within the affected area of Moreton Bay and more broadly from Caloundra to Cairns was undertaken as part of the national surveillance program. Two rounds of testing completed in 2018–19 have returned negative results. Sampling and two further rounds of testing will continue through to late 2020 to support proof of freedom.

Three prawn farms in the Logan River area returned to production this season after putting additional biosecurity measures in place to better protect the farms from further disease outbreaks. All three farms have now completed harvest without a disease incident.

The major projects, conducted in consultation with key industry sectors and Fisheries Research Development Corporation partners, are nearing final stages. These projects aim to reduce impacts across the aquaculture and commercial fishing sectors.

Community engagement was a key focus throughout the response. Messaging about movement restrictions on species known to carry the virus and the appropriate use of bait was particularly effective.

## Objective 3

# Ensure the sustainable management of natural resources to underpin productivity and protect the environment

To achieve sustainable resource use, we must ensure that the resources used by the sector—land, water, fish and forests—remain plentiful for future industry and future generations of Queenslanders. Without a sustainable resource base and ethical production, the sector will not remain competitive in meeting the ongoing growth in global food demand.

More than 88% of Queensland's land is currently used for primary production. About 14% of Queensland is classified as suitable for cropping, but high-value agricultural land uses are undertaken on less than 3% of the state's land. Northern Queensland has significant land and water resource opportunities that are still to be fully utilised.

Queensland's fisheries and forest resources underpin the economic and social/recreational activities of Queenslanders. These resources are also found in areas of iconic environmental significance, which are valued globally for their uniqueness.

Protecting the economic and environmental value of, and sharing access to, these community resources presents challenges. The hard decisions that government must make may not always sit well with the specific interests of some stakeholder groups.

DAF advocates to preserve and protect agricultural land and water, facilitates the uptake of improved land management practices, regulates access to fisheries resources and allocates native forest resources. We support the sector in its responsible use of natural resources and in minimising the impact of agriculture, fishing and forestry on the Great Barrier Reef.

DAF's role in community education and safety—through boating and fishing awareness programs and the Shark Control Program—allows Queenslanders to enjoy safe, sustainable recreation opportunities.

## Strategic risks and opportunities

- **New technologies**—new technologies to detect threats and improved modelling, supported by increased processing power and big data, can help DAF prevent the spread of biosecurity diseases and pests, improve fisheries management, assist producers to improve decision-making and better predict climatic risks leading to increased productivity.
- **Climate**—the frequency and duration of extreme weather events impacts on the ability of the sector and the department to direct resources to growth opportunities.
- **Biosecurity threats**—greater global movement of goods and people increases the transmission of exotic pests and diseases, which may significantly affect the economy and the environment, compromising our disease-free reputation and restricting market access.
- **Competition for resources**—resources used for agriculture, fisheries and forestry are increasingly subject to demands for competing access from other economic, environmental and social interests, and these conflicts cannot always be fully resolved.

## Key performance indicators

- Adoption levels of improved management practice in Reef catchments
- Sustainability status of fish stocks
- Accreditation of DAF fishery and forest management systems

## Cross-government commitments

The following intergovernmental agreements influenced the way DAF delivered these services.

### Reef 2050 Plan

The *Reef 2050 long-term sustainability plan* (Reef 2050 Plan) provides the framework for the actions of the Australian and Queensland governments to protect and manage the Great Barrier Reef. DAF contributed to 38 of the 51 actions in the Reef 2050 Plan. Many initiatives under the *Sustainable fisheries strategy 2017–2027* are already complete. The *Charter fishing action plan 2018–2021* was released in August 2018. DAF's continued efforts contribute directly to the Reef 2050 Plan. DAF delivers a number of actions identified in the *Reef 2050 water quality improvement plan 2017–2022*. DAF works directly with producers with the aim of improving Reef water quality and to implement ecologically sustainable fishing policy.

### Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin

The Queensland Murray–Darling Basin Regional Economic Diversification Program was established as part of the structural adjustment program resulting from the Murray–Darling Basin Plan. It is designed to stimulate economic activity and jobs in areas affected by reductions in irrigation water allocations that have occurred as part of the Basin Plan 2012. DAF administers the High Value Horticulture Value Chains project, which extends through to 2020, developing new high-value export-oriented horticulture value chains in the region to maximise economic return from the available irrigation water.

### Accreditation of aquaculture discharge adjacent to the Great Barrier Reef Marine Park

Queensland law is accredited under the federal Great Barrier Reef Marine Park (Aquaculture) Regulations 2000. Based on this agreement, separate permission from the Great Barrier Reef Marine Park Authority is not required to operate any land-based aquaculture facility that discharges aquaculture waste to a waterway leading to the Great Barrier Reef Marine Park.

### Great Barrier Reef Marine Park Authority Intergovernmental Agreement

Schedule E of the agreement recognises Australia's international responsibilities for the Great Barrier Reef World Heritage Area under the World Heritage Convention, Offshore Constitutional Settlement arrangements, the intergovernmental agreement, and associated Australian and Queensland government legislative provisions. A ministerial forum ensures both governments apply the guiding principles established in the intergovernmental agreement to fishing and collection of fisheries resources in the Great Barrier Reef World Heritage Area.

### Conservation agreement for assessment of applications under the Great Sandy regional marine aquaculture plan

The conservation agreement between Queensland and Australian government ministers for the *Great Sandy regional marine aquaculture plan* means that applications for aquaculture that comply with the plan do not require a separate assessment or approval under the *Environment Protection and Biodiversity Conservation Act 1999*. Instead, matters under the Act are covered through the issue and conditions of the development approval (under the *Planning Act 2016*) and resource allocation authority (under the *Fisheries Act 1994*), which are assessed under the plan.

## Shared waters

Management arrangements for commercial fisheries are established under the Offshore Constitutional Settlement 1995 agreement and the resulting memorandum of understanding between the Queensland, Northern Territory and Australian governments to manage shared waters.

The Queensland Fisheries Joint Authority (established in 1995) manages some northern finfish stocks within offshore waters in the Gulf of Carpentaria.

The Torres Strait Protected Zone Joint Authority (established in 1984) manages all commercial fisheries in the Torres Strait Protected Zone.

There are no joint authorities operating in the Queensland East Coast.

## Results and work program

The following section outlines DAF's performance aligned to the strategies in the strategic plan under Objective 3 and the priorities outlined in the 2018–19 DAF Service Delivery Statement.

### Strategy 3.1

#### Advocate for access to agriculturally important land, energy and water

#### Contributing impact areas



Strategic policy and planning



Rural economic development



Fisheries

Performance monitored by two DAF service standards

Table 7 DAF's effectiveness in influencing planning and development

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (effectiveness)	Proportion of stakeholders who have a high level of satisfaction with agriculture policy and planning, and consultation and engagement processes	Not measured	Not available	70%	70%	85%

**Note:** This measure covers a range of dimensions of stakeholder satisfaction including quality, satisfaction with the tools and methods of engagement and the level of opportunity to contribute to policy direction to determine overall stakeholder satisfaction. Both quantitative and qualitative responses are sought. In 2018–19, an increased number of survey respondents reported a 'very satisfied' level of satisfaction with their interaction with relevant DAF staff and the quality of the information provided.

Table 8 Regional agricultural advocacy

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (efficiency)	Average cost of regional agricultural advocacy activities	Not measured	\$839	\$754	\$670	\$591

**Note:** The cost for this efficiency measure is based on the total number of and operational costs for delivering eligible activities.

The decrease for 2018–19 is mainly due to advocacy activities being less complex and shorter than in some previous years, resulting in a lower cost per activity.



DAF’s network of regional officers ensured that the interests of agriculture were considered in statutory planning processes, water allocation and energy policies.

DAF also continued to work closely with the State Assessment and Referral Agency. Our role is to review development applications that may have an impact on marine habitats to ensure that infrastructure impacts are minimised. The Queensland Boating and Fisheries Patrol (QBFP) investigated and prosecuted persons found wilfully damaging marine plants and environments.

## Strategy 3.2

Leverage changes in water and land use to develop new agricultural and aquaculture opportunities

### Contributing impact areas



Strategic policy and planning



Rural economic development



Crop and food science



Animal science



Horticulture and forestry science



Fisheries

The expanded one-stop service continued to support applicants to pursue new projects or expand business by developing land and water resources in North Queensland.

Significant progress was made in 2018–19 in implementing the Queensland aquaculture policy statement and in growing the industry.



## Aquaculture development areas

DAF worked to further the development of an ecologically sustainable, diverse and innovative aquaculture industry. Queensland’s proximity to Asian markets, its reputation for quality seafood and increased demand for Australian native fish species mean Queensland is well positioned to produce high-value aquaculture products.

The end of January 2019 marked a big step forward in guiding aquaculture investment in Queensland, when six new land-based aquaculture development areas (ADAs), totalling approximately 7048 hectares, were declared in the Townsville, Whitsunday, Mackay, Rockhampton and Gladstone local government areas.

ADAs identify areas with potential for land-based marine aquaculture development and provide investors with a list of locations suitable for projects. The sites were identified in consultation with industry, government and affected landholders—they are the sites with the least environmental impact and the fewest land-use constraints.

The declaration of ADAs was well received by both state and local governments and will contribute to Queensland Government’s priority to **Create jobs in a strong economy**.

## Strategy 3.3

Reduce the impact of agriculture, pests and weeds on the environment and the Great Barrier Reef

### Contributing impact areas



Rural economic development



Crop and food science



Animal science



Strategic policy and planning



Biosecurity external

### KPI Adoption levels of improved management practices in Reef catchments

Performance monitored by a DAF service standard

Table 9 Service delivery standard—best management practice

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (effectiveness)	Percentage of primary producers in Reef catchments who adopt improved management practices after participation in DAF extension programs	74%	58%	68%	47%	72%

**Note:** There was a minor wording change to this measure in 2016–17; however, the calculation methodology remained unchanged. The strong performance in 2018–19 was attributed to explicit 'high-return' extension involving 1:1 personal interactions resulting in reported higher adoption rates of improved management practices.

## Protecting the Great Barrier Reef

One of Queensland Government's key priorities for the community is **Protect the Great Barrier Reef**—this recognises the Reef's environmental, social and cultural importance not only to the state but internationally. The Reef supports its surrounding communities with economic activities and jobs, including commercial and recreational fisheries managed by DAF. We play a critical role in implementing the Reef 2050 Plan, and its subordinate *Reef 2050 water quality improvement plan 2017–2022*, particularly through the implementation of the *Queensland sustainable fisheries strategy 2017–2027* and our on-ground support to agriculture industries in the Great Barrier Reef catchment.

## Improving Great Barrier Reef water quality

Nutrients, sediments and pesticides from agricultural lands adjacent to the Great Barrier Reef are contributing to its declining health, and agricultural industries are increasingly required to minimise off-farm impacts to sensitive environments. Queensland Government has invested heavily to improve the quality of water entering the Great Barrier Reef lagoon.

In 2018–19, DAF leveraged \$9.5 million from Great Barrier Reef funding programs and committed \$1.29 million to lead and support actions of the *Reef 2050 water quality improvement plan 2017–2022*.

We continued to play a major role in improving Reef water quality through best practice management (BMP) programs, particularly our extension activities, our research and development of improved land management practices and our economic evaluation of those improved practices.

The ReefPlan Grazing Extension project team delivered activities that will lead to improvements in land management, business performance and ultimately ground cover and water quality. This year, DAF:

- delivered 25 training and extension events
- worked with 407 beef producers representing 320 businesses in the Burdekin, Fitzroy, Burnett–Mary and Mackay–Whitsunday regions.

DAF also had 12 specialist agricultural development and extension officers working with growers and the cane industry to increase adoption of improved farming practices in key coastal production areas between Bundaberg and Mossman.

An important focus this year was on the viability of reducing applied nitrogen rates within a sugarcane farm. This work helped DAF provide better advice to producers on how to reach the BMP standards established by industry. This included investigating how to optimise legume crop production for biological nitrogen inputs (more efficiently using traditional nitrogen by splitting nitrogen rates to match plant demand) and assessing enhanced-efficiency fertiliser formulations across Reef catchments.

DAF extension activities relating to the implementation of improved farming systems included:

- engaging 1277 participants in 186 extension activities, representing potential improvements on a total cane land area of approximately 94 651 hectares
- promoting practices that enhance soil health and encouraging use of controlled traffic systems
- using agricultural technology (such as drone technology) to assess internal paddock variability associated with subsoil constraints, weed growth patterns and pest infestations
- increasing regional knowledge of agronomic practices associated with alternative crops
- assisting producers to understand near real-time water quality results in priority catchments
- collaborating with the Wet Tropics Major Integrated Project delivery team to promote innovative farming systems in the Tully and South Johnstone catchments.

We continued to collaborate with CANEGROWERS, Sugar Research Australia and the broader cane industry to support the cane industry’s implementation of the Smartcane BMP program. The focus has been on the three core modules of BMP to enable growers to become accredited and independently recognised for their management of soil health and nutrients, irrigation and drainage, and weeds, pests and diseases.

This allowed industry to clearly demonstrate efforts to minimise the impact of sugarcane production on the Great Barrier Reef. In May 2019, CANEGROWERS publicly reported progress on adoption of Smartcane BMP as:

- 1818 farms covering 289 581 hectares (about 72% of Queensland’s sugarcane area) having commenced a BMP process
- 392 farms covering 93 323 hectares (about 23% of Queensland’s sugarcane area) accredited with three core units completed and independently validated.

## Enhanced Extension Coordination in the Great Barrier Reef catchment

**Regional Extension Coordination**

**Regional extension coordinator**

- Improving communication, coordination and collaboration

**Regional extension network**

- Improving locally based decision making

**Regional extension plan**

- Co-designing to meet regional needs

**Project resources**

- Flexible funds
- Peer-to-Peer funds
- Other support

**Capacity building**

- Identifying and addressing core skills gaps
- Training and development
- Peer-to-Peer network

**Outcomes**

- Improving knowledge and skills base of extension providers
- Core and specialist skills training
- Increasing extension capacity through locally based groups, demonstrations and technologies
- Better monitoring and evaluation
- Farmer to farmer learning
- Supporting land stewardship

**Increased collaboration with farmers**

**Increased agricultural productivity**

**Improved water quality**

The Enhanced Extension Coordination program is funded through the Queensland Government Reef Water Quality program

Queensland Government

Figure 6 Enhanced extension coordination in the Great Barrier Reef catchment

## Enhancing extension coordination to improve Reef water quality outcomes

Extension support—undertaken by a wide range of providers including government agencies, industry organisations, productivity boards, natural resource management bodies, private consultants and agribusinesses—is critical to improving Reef water quality.

However, the delivery of extension support is challenging because of the varying interests of these groups, the large geographical area involved and the many agricultural commodities affected.

To meet this challenge, DAF initiated the Enhanced Extension Coordination project, aimed at improving collaboration and coordination to deliver more effective and efficient extension services. The project provided support to the newly appointed regional extension coordinators (and their extension networks), helping them collaborate effectively in developing and implementing regional extension plans.

An important component of the project was to implement a collaboration framework. This clarified and defined the terms ‘coordination’ and ‘collaboration’ to help people achieve better outcomes from networking, cooperation, coordination and collaboration.

## Control of weeds and pest animals

Invasive plants and animals, including those that escape from domestication, impact on the lives of all Queenslanders, our environment and agricultural production. The cost to Queensland's agriculture industry is more than \$600 million annually in lost production and in control. Efforts to control their spread can also have unintended impacts on the environment from pesticide use.

During 2018–19, DAF and our associates (under collaborative arrangements with local governments and natural resource management organisations) focused efforts on:

- delivering the program of work under the National Four Tropical Weeds Eradication Program
- researching and developing improved control strategies and methods including biological control for invasive weeds such as prickly acacia, giant rat's tail grass, mother-of-millions, cabomba and Navua sedge
- developing new methods and strategies for the management of pest animals including wild dogs, feral deer and rabbits.

Drought conditions drove ongoing focus on wild dogs and wild dog barriers. The wild dog barrier fence is about 2500 kilometres long and protects 26.5 million hectares of grazing country in southern inland Queensland. Funded 50:50 by Queensland Government and local government authorities, the 2018–19 budget of over \$2 million supported 30 kilometres of reconstruction work and regular monitoring and maintenance activities.

The Queensland Feral Pest Initiative committed \$19.7 million over the last 4 years to assist regional communities with the construction of cluster fences and the control of invasive plants and animals. The first two rounds of the initiative saw almost 7000 kilometres of cluster fencing built on 423 properties in priority sheep-growing areas. The results are outlined in the following case study.

## Cluster fencing

Under the Queensland Feral Pest Initiative, a monitoring and evaluation plan is required for each funded project. These plans enable DAF to assess the social and economic impacts of fencing and wild dog management. Results to date demonstrated positive outcomes from the regional projects. Reported benefits included increases in perceived control, improved confidence and motivation for investment and increased employment. Project participants reported improvement in health and wellbeing, including mental health.

Data from completed cluster fence projects indicated that lambing rates and sheep numbers have increased dramatically in most areas. Anecdotal evidence from one south-western Queensland cluster indicated that their lambing rates

increased from 7% to 70% following the establishment of the exclusion fence. At a value of approximately \$100 per lamb, the project translated to an increased production revenue of \$504 000 annually for this cluster alone, without the use of any economic multipliers.

Economic modelling studies for the project identify that gross margins, on average, have the potential to increase by 27% and 48% for cattle and sheep businesses respectively.

Economic formulas developed by the Remote Area Planning and Development Board have identified that for every \$1 of grant funds invested, \$376 per year is returned to local economies.

## Strategy 3.4

### Implement the *Queensland sustainable fisheries strategy 2017–2027*

#### Contributing impact area



#### Fisheries

#### KPI Sustainability status of fish stocks

Performance monitored by a DAF service standard

Table 10 Sustainability of Queensland fish stocks

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (effectiveness)	Percentage of key Queensland fish stocks assessed as having no sustainability concerns	94%	93%	91%	82%	85%

**Note:** Key fish stocks in Queensland are assessed using nationally agreed standards and protocols. Each full cycle of the assessment process takes 24 months to complete and is reported on a calendar year. As a result, the number of stocks assessed fluctuates annually, which in turn influences the result of the formula applied to derive the measure. Species with sustainability concerns are reviewed each year.

#### KPI Accreditation of DAF fishery management systems

Performance monitored by a business measure

Table 11 Accreditation of the fishery management systems

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Business measure (effectiveness)	Queensland fisheries accredited for export	19	19	19	19	19

**Note:** Accreditation to export is granted by the Australian Government's Department of Environment and Energy. No existing approvals expired in 2018–19; therefore, no reassessment occurred during this period.

## Status of fish stocks

DAF, along with other state and territory government fisheries agencies, adopted nationally agreed protocols to assess the status of key Australian fish stocks in 2012. Information describing the status of key Queensland fish stocks is available online via the national status of Australian fish stocks (SAFS) reports and on DAF's website. The national SAFS process is completed every second year to examine the status of an agreed list of fish, prawns, crabs and other seafood species. In this process, 67 key fish species from 98 stocks are assessed. In alternate years, DAF uses the SAFS framework to assess locally important Queensland seafood species.

The 2018 assessment indicated that 8 Queensland fish stocks are currently considered to have sustainability concerns. These stocks are:

- snapper, saucer scallops, pearl perch and grey morwong—considered to be depleted or overfished
- spanner crab, king threadfin (Gulf of Carpentaria) and barramundi (southern Gulf of Carpentaria)—considered to be depleting
- mangrove jack—considered to be recovering (Gulf of Carpentaria).

This increased the number of stocks with sustainability concerns by 2 since the 2016 assessment. The new additions were spanner crab and grey morwong. Grey morwong was assessed as depleted at the national level. It is a minor species in Queensland, because it mainly occurs in southern Australian waters.

As part of the *Queensland sustainable fisheries strategy 2017–2027*, the government has committed to having no overfished stocks by 2027. A number of reforms are currently being progressed to improve the sustainability of these stocks.

## Progress of the *Queensland sustainable fisheries strategy 2017–2027*

The *Queensland sustainable fisheries strategy 2017–2027* sets out the reform agenda over 10 years. The strategy is the largest reform of the sector in Queensland's history and paves the way for Queensland to have a world-class fisheries management system that also supports thousands of jobs. The strategy is dedicated to delivering 33 actions across 10 reform areas between 2020 and 2027 and has 12 targets to be achieved.

The first progress report was released in September 2018, a year after the strategy's implementation. The second progress report was published at the end of this financial year. Almost half of all the actions—14 out of 33—were delivered in the first 2 years. Figure 7 (page 52) shows a summary of the progress towards the targets as at end of 2018–19.

While good progress is being made, engagement with fishers—using both traditional and novel methods—needs improvement. During the year, a project to better understand barriers to engagement with commercial fishers was completed, and this is helping to tailor our communication strategies.

A discussion paper released in January 2019 outlined the proposed reforms for the east coast inshore, east coast trawl and Queensland crab fisheries. Further consultation on the approaches to resource allocation occurred in March 2019. June 2019 saw the release of the final discussion paper on proposed regulatory amendments to implement the priority fisheries reforms and urgent management changes for snapper and pearl perch. Feedback will inform final regulatory changes, which are expected in September 2019.

Full details of actions and progress can be found in the *Queensland sustainable fisheries strategy 2017–2027: progress report year 2*, available at [daf.qld.gov.au](http://daf.qld.gov.au).

 **2020 targets**







Target	Baseline in 2017–18	Progress 2018–19
<b>Sustainable catch limits based on maximum sustainable yield (around 40–50% biomass)</b>	<ul style="list-style-type: none"> <li>• Stock assessments completed for 28 species (43 stocks) in 2007–17</li> <li>• Stock assessments completed for 2 species (2 stocks) in 2017–18</li> <li>• 8 catch-based quotas, but not explicitly set using biomass targets</li> </ul>	<p><b>Work continuing</b> </p> <ul style="list-style-type: none"> <li>• Stock assessments completed for 13 species (22 stocks), including 6 new species</li> <li>• 9 catch-based quotas, but not explicitly set using biomass targets</li> </ul>
<b>Harvest strategies for all fisheries</b>	<ul style="list-style-type: none"> <li>• No harvest strategies in place</li> </ul>	<p><b>On track</b> </p> <ul style="list-style-type: none"> <li>• 13 harvest strategies in development</li> </ul>
<b>Export approvals maintained</b>	<ul style="list-style-type: none"> <li>• 100% export approvals in place</li> </ul>	<p><b>Achieved</b> </p> <ul style="list-style-type: none"> <li>• 100% export approvals in place</li> </ul>
<b>Improved stakeholder satisfaction with engagement</b>	<ul style="list-style-type: none"> <li>• Overall satisfaction with Fisheries Queensland engagement: 56%</li> </ul>	<p><b>Work continuing</b> </p> <ul style="list-style-type: none"> <li>• Satisfaction survey to be completed in 2019–20 to assess progress against the baseline</li> <li>• Independent contractors engaged to better understand barriers to engagement with commercial fishers—an action plan is being developed for implementation in 2019–20</li> </ul>
<b>Increased satisfaction of recreational fishers</b>	<ul style="list-style-type: none"> <li>• Overall satisfaction of recreational fishers in Queensland: 61%</li> </ul>	<p><b>Work continuing</b> </p> <ul style="list-style-type: none"> <li>• Satisfaction survey to be completed in 2019–20 to assess progress against the baseline</li> <li>• Statewide recreational fishing survey to be completed to revise information on recreational fishing participation and harvest</li> </ul>
<b>Better data for key fisheries</b>	<ul style="list-style-type: none"> <li>• 67 key species (98 stocks) considered:                             <ul style="list-style-type: none"> <li>– 27 species (30 stocks) undefined</li> <li>– 5 species (5 stocks) with minimal data</li> <li>– 1 species (1 stock) not assessed</li> </ul> </li> </ul>	<p><b>Work continuing</b> </p> <ul style="list-style-type: none"> <li>• 67 key species (98 stocks) considered:                             <ul style="list-style-type: none"> <li>– 27 species (31 stocks) undefined</li> <li>– 5 species (5 stocks) with minimal data</li> <li>– all species assessed</li> </ul> </li> </ul>







Figure 7 Extract from the *Queensland sustainable fisheries strategy 2017–2027: progress report year 2*

(continued)





## 2027 targets

Target	Baseline in 2017–18	Progress 2018–19
<b>Sustainable catch limits based on maximum economic yield (around 60% biomass)</b>	<ul style="list-style-type: none"> <li>Stock assessments completed for 28 species (43 stocks) in 2007–17</li> <li>Stock assessments completed for 2 species (2 stocks) in 2017–18</li> <li>8 catch-based quotas, but not explicitly set using biomass targets</li> </ul>	<p><b>Work continuing</b> </p> <ul style="list-style-type: none"> <li>Stock assessments completed for 13 species (22 stocks), including 6 new species</li> <li>9 catch-based quotas, but not explicitly set using biomass targets</li> </ul>
<b>No Queensland fisheries overfished</b>	<ul style="list-style-type: none"> <li>2 overfished stocks (scallop and snapper)</li> </ul>	<p><b>Work continuing</b> </p> <ul style="list-style-type: none"> <li>3 overfished stocks (scallop, snapper and pearl perch)</li> <li>Further management actions proposed to take pressure off snapper and pearl perch, and rebuild scallops</li> </ul>
<b>Increased certainty for commercial operators</b>	<ul style="list-style-type: none"> <li>No data yet (to be collected in 2018)</li> </ul>	<p><b>On track</b> </p> <ul style="list-style-type: none"> <li>New social and economic monitoring program developed to collect baseline data in 2019–20</li> </ul>
<b>Reduced volume of fisheries regulation</b>	<ul style="list-style-type: none"> <li>933 pages of regulations—733 pages in the Fisheries Regulation 2008 and 200 pages in the Fisheries (East Coast Trawl) Management Plan 2010</li> </ul>	<p><b>On track</b> </p> <ul style="list-style-type: none"> <li>839 pages of regulations—579 pages in the Fisheries Regulation 2008 and 260 pages of declarations</li> <li>Fisheries (East Coast Trawl) Management Plan 2010 incorporated into the Fisheries Regulation 2008 and declarations ready for harvest strategies</li> </ul>
<b>Improved trends of compliance rates*</b>	<ul style="list-style-type: none"> <li>91% compliance rate</li> </ul>	<p><b>On track</b> </p> <ul style="list-style-type: none"> <li>89%—rate is lower due to shift to intelligence-based compliance, which targets non-compliant operators rather than random inspections</li> </ul>
<b>Responsive and consultative approach to fisheries management</b>	<ul style="list-style-type: none"> <li>Overall satisfaction with Fisheries Queensland engagement: 56%</li> <li>Other measures to be developed</li> </ul>	<p><b>On track</b> </p> <ul style="list-style-type: none"> <li>Satisfaction survey to be completed in 2019–20 to assess progress against the baseline</li> <li>Changes to the <i>Fisheries Act 1994</i> to establish framework for responsive decision-making—focus in 2019–20 will shift to finalising harvest strategies with pre-agreed decision rules</li> <li>10 fishery-specific working groups in place and meeting regularly to provide operational advice on respective fisheries</li> <li>Responsive decisions about sustainability concerns for black jewfish, and molluscs in Moreton Bay</li> <li>636 responses to the discussion paper about allocation approaches with very constructive feedback provided—as a result, a number of changes made to improve allocation approaches</li> <li>Data validation of logbook history undertaken in the crab and east coast inshore fisheries as a result of stakeholder concern about inflated catch ahead of allocation</li> </ul>

\*QBFP has moved to an intelligence-based approach to compliance, which may result in lower compliance rates due to targeting non-compliance rather than random on-water inspections.

Figure 7 (continued)

## Improved compliance and monitoring

Much of the additional investment under the strategy is directed towards boosting compliance and undertaking additional monitoring to ensure the long-term viability of the resource.

**Table 12** Service standards for QBFP

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (effectiveness)	Fisheries inspections that are compliant with fisheries laws	93%	92%	92%	91%	89%
Service standard (efficiency)	Average cost of inspections	Not measured	\$456	\$487	\$469	\$544
Service standard (efficiency)	Average number of inspections per full-time equivalent	Not measured	295	286	245	220

**Note:** The cost of inspection is determined by the number of inspections undertaken by authorised officers of the QBFP and the annual cost of the QBFP. The QBFP conducts both fisheries inspections for DAF and boating safety inspections on behalf of other agencies such as the Department of Transport and Main Roads.

The increase in the average cost of inspections and average number of inspections was impacted by the protected industrial action taken by some QBFP officers early in 2018–19.

The average number of inspections shows a decrease due to the adoption of a targeted, intelligence-driven patrol compliance model, which targets non-compliant activities rather than random on-water inspections, along with impacts of the protected industrial action.

The surveillance and inspection efforts of the QBFP ensured deterrence and prosecution for non-compliance with fisheries laws. Compliance with fisheries laws remained high, but the slightly lower rate and higher cost reflected the continued move towards more intelligence-based activities specifically targeting non-compliance, and the impact of protected industrial action (see Table 12).

The QBFP monitored boating and fishing activities and investigated alleged illegal activity along 7000 kilometres of coastline and hundreds of freshwater rivers and impoundments. QBFP had 109 authorised officers (including the additional 20 funded under the strategy’s implementation) stationed across the state. Over 51 000 patrol hours were achieved in 2018–19.

The following enhanced tools improved safety for patrol officers and assisted with intelligence gathering:

- new compliance powers and heavier penalties for black-marketing (commenced at the end of May 2019)
- body-worn cameras rolled out to all officers (see the case study on page 55)
- ten drones and surveillance kits.

Patrol officers are also authorised to deliver compliance services on behalf of the Department of Environment and Science (DES), the Department of Transport and Main Roads, Maritime Safety Queensland, the Australian Fisheries Management Authority, the Great Barrier Reef Marine Park Authority, the Torres Strait Protected Zone Joint Authority and the Australian Maritime Safety Authority.

To ensure efficiencies in the compliance program, QBFP actively promoted ‘cross-decking’ or joint patrols with its compliance partners. In 2018–19, officers were involved in 234 joint patrols, including 157 with the Queensland Police Service, Maritime Safety Queensland and DES.

Additional fisheries monitoring activities commenced across a range of species, including additional Reef species, sharks and scallops. Social and economic surveys are underway to better understand the contribution that the commercial and charter fishing industries make to the Queensland economy and its regions. The 2018 statewide recreational fishing survey showed participation had grown, with almost 1 million Queenslanders going fishing over the last year. More than 2000 recreational fishers commenced recording 12-month logbooks to help improve understanding of the recreational catch.

The following case studies highlight the growing and important role that technology could play in improved monitoring.

## Body-worn cameras for QBFP

The rollout of body-worn cameras across the state is helping all QBFP officers with compliance operations and prosecutions while providing additional safety.

QBFP monitors fisheries compliance of more than 642 000 recreational fishers and 1700 commercial fishing licence holders annually. During 2018–19, QBFP undertook 19 990 recreational and 2703 commercial fishing inspections.

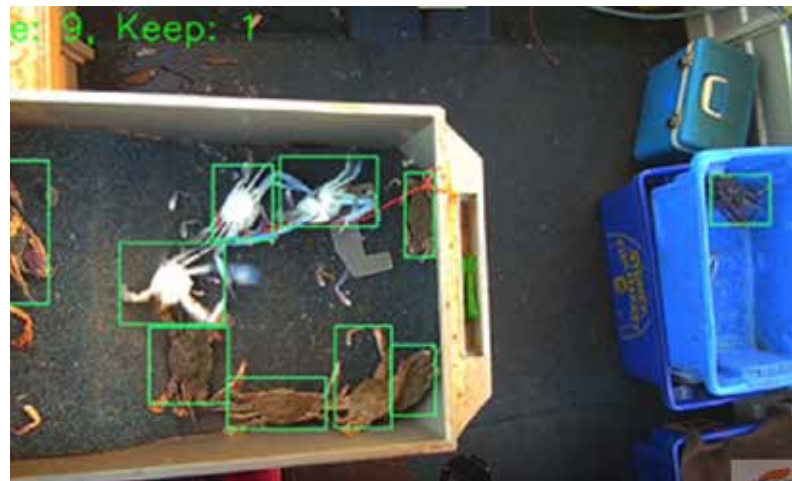
By its nature, QBFP fieldwork can be hazardous. At times, officers operate in difficult, often isolated, and dynamic environments. To safeguard workplace health and safety (WHS), all QBFP officers now wear the cameras to capture video footage of inspections and interactions with the public.

The body-worn cameras and upgraded computer servers to store the recorded data have been implemented across QBFP's 19 bases and 109 officers statewide. The footage is stored in a secure environment and only reviewed if necessary.

The 2015 independent risk assessment recommended the use of cameras for fisheries officers when working in the field. An updated risk assessment has been commissioned to evaluate the effectiveness of body-worn cameras and other WHS initiatives and ensure the continued safety of our compliance officers.



A QBFP officer with the new body-worn camera



Artificial intelligence technology recognising catch and effort on commercial vessels

## 'Fishal' recognition

Cutting-edge technology—including fish-image recognition—is being used to automatically collect information on commercial fishing in groundbreaking research funded by Queensland Government. Fisheries Queensland has been working closely with the two successful recipients of Queensland's Small Business Innovation Research program (Anchor Lab and Fish-e) to develop high-tech systems to monitor commercial fishing locations, effort and catch.

The technology will save fishers time by automating logbook reporting requirements and will eventually provide a 'digital observer program'. There is even the potential to replace logbooks that are currently used by commercial fishers. During 2018–19, electronic monitoring technology (including cameras, sensors and image-recognition software) was installed on a range of commercial fishing vessels as part of the feasibility and proof-of-concept stages.

## Vessel tracking and rebate scheme

As part of the sustainable fisheries strategy, vessel tracking will be required on all commercial fishing boats by 2020.

The use of modern technologies like vessel tracking helps ensure the sustainability of Queensland's fisheries. It leads to more informed and responsive management, benefiting many operators and regional communities that depend on fisheries resources.

As of 1 January 2019, vessel-tracking units were required on net, line and crab commercial fishing boats. The Vessel Tracking Rebate Scheme offset the costs incurred by commercial fishers for the purchase and installation of vessel-tracking units on their fishing boats.



Vessel tracking being used on patrol in the Brisbane River

The rebate scheme should mean that most fishers are not out of pocket. QRIDA administers the scheme on DAF's behalf. Close to 500 applications were received in 2018–19. The rebate scheme continues until 31 December 2020.

Nearly 1600 vessel-tracking units have been purchased, and 1100 are now operational and sending positions.

### Strategy 3.5A

Balance economic fisheries resource use with environmental and social values

#### Contributing impact areas



Fisheries



Animal science

Queensland's fisheries are a valued community resource. Commercial, charter and recreational fishing all contribute to the economy. The *AgTrends update* of April 2019 estimated the values of the commercial fishing sector, aquaculture industry and recreational fishing sector as \$181 million, \$120 million and \$94 million respectively.

Enjoyment and health benefits are derived from fishing for pleasure and safe swimming. The reforms under the *Queensland sustainable fisheries strategy 2017–2027* help protect jobs in both the commercial and recreational fishing sectors and ensure sound environmental health and ample fish stocks. A range of new initiatives and existing programs work to balance access and value.

#### Economic and social value of recreational fishing

Charter fishing was formally recognised as a sector under the *Fisheries Act 1994* and 26 new charter fishing licences were issued in 2018–19. The *Charter fishing action plan 2018–2021*, released in August 2018, sets clear targets to be achieved by 2021 across four priority areas:

- recognition of the charter sector (achieved—formally recognised under the Act)
- improved engagement and consultation (actioned by inclusion of sector representatives on three strategy working groups)
- enhanced industry standards and streamlining requirements
- developing regional tourism potential.

The current discussion paper on proposed amendments to fisheries regulations included the proposed registration of inshore charter operators and catch reporting as ways to improve data on recreational catch.

Recreational fishing continued to be one of the most popular outdoor activities in Queensland. According to Sport Australia, it is more popular than cycling (11.1%), tennis (3.9%) and golf (4.0%).<sup>1</sup> Approximately 943 000 or 19% of Queenslanders aged 5 years or more went recreational fishing in Queensland in the 12 months prior to April 2019.<sup>2</sup>

The statewide recreational fishing survey series commenced in 1997 and used consistent methodology across the surveys undertaken in 2000, 2010, 2013 and 2019. The surveys provide recreational fishing catch and effort information necessary to safeguard resources.

The number and proportion of Queenslanders fishing recreationally increased substantially since the 2013 survey (from 15% to 19% and from 642 000 to 943 000). The strong increase is driven by the state's population growth and the increased popularity of recreational fishing, particularly among younger Queenslanders.

The second stage of the current statewide recreational fishing survey is underway. It records activities from a sample of recreational fishers over a 12-month period to provide information about:

- where and how Queenslanders go recreational fishing
- where recreational fishers live
- which species and how many they catch and release
- expenditure information (to help us understand the economics of recreational fishing).

## Better fishing experiences

Recreational fishing experiences were improved through net-free fishing zones, the official recognition of charter fishing, the Stocked Impoundment Permit Scheme (SIPS) and fish-attracting structures.

The Cairns, Mackay and Rockhampton local governments each received \$100 000 (GST inclusive) to support recreational fishing in the net-free zones through promotion, signage and infrastructure. Each local government developed a recreational fishing strategy for its region. Outcomes included:

- attracting fishing-related tourism, including interstate and international fishers and business to the local area
- improved local infrastructure such as fishing platforms and boat ramps
- improved local stewardship through regional codes of practice.

The report *Performance of Queensland's net-free zones: January 2019* showed that overall fishing satisfaction for the previous 12 months was greater in 2018 than in 2015 or 2016. Greater satisfaction was reported for the number and size of fish caught, the quality of the 'fish fights' and the quality of fishing in the area. DAF is also aware of 4 new inshore charter fishing businesses commencing operations in the Rockhampton area after the implementation of the net-free fishing zones in 2015.

There are currently 68 active stocking groups that release more than 3 million juvenile fish or fingerlings annually into 150 waterways across Queensland. Stocking provides recreational fishing opportunities in areas where they would otherwise be lacking, supporting regional communities and related jobs.

During 2018–19, a number of activities were completed, including the following:

- A statewide freshwater fishing and fish stocking workshop was held at Warwick with attendance from 40 stocking groups. Key actions from the workshop included the development of:
  - a fish stocking action plan
  - a fish stocking policy
  - a cost-effective monitoring plan
  - proposed minor changes to freshwater fishing rules.

1. Clearinghouse for Sport and Physical Activity 2019, 'State/territory results', <<https://www.clearinghouseforsport.gov.au/research/smi/ausplay/results/state>>.

2. DAF 2019, 'Statewide recreational fishing survey', <<https://www.daf.qld.gov.au/business-priorities/fisheries/monitoring-compliance/monitoring-reporting/recreational-fishing/statewide-recreational-fishing-surveys>>.

- Boat ramp surveys at impoundments were introduced to improve monitoring of stocked freshwater fisheries.
- SIPS was promoted through social media channels and through a competition that targets families.
- New signs were rolled out at SIPS impoundments to improve compliance.
- The sales system of permits was modified to phase out iPads at small businesses, saving approximately \$90 000 per year in administration costs. This can then be reinvested in other service delivery, monitoring and marketing improvements.

SIPS generates over \$1 million a year in revenue, and at least 75% of this goes directly to community-based volunteer stocking groups for maintaining and improving freshwater fisheries.

To improve recreational fishing, fish-attracting structures have been deployed in Kinchant and Cressbrook dams (under their 2018–20 fish attraction plans). Fish attractors lure fish into a particular area and encourage them to stay, making it easier for anglers to work out where fish are likely to be.

### Supporting Aboriginal and Torres Strait Islander communities

The sustainable fisheries strategy outlines two key actions focused on Aboriginal and Torres Strait Islander communities. The first is to develop a traditional fishing policy that clarifies the arrangements for Indigenous people to take fish for cultural purposes. The second is to develop an Indigenous commercial fishing policy to support Indigenous economic development in a way that also supports sustainable fishing.

There has been significant progress to date:

- A cultural liaison function has been integrated into the roles of five QBFP officers. These cultural liaison officers work with Aboriginal communities and Traditional Owners to understand and address issues around fisheries compliance.
- Three Indigenous-identified positions were established and filled in 2018–19 to build stronger relationships with Aboriginal and Torres Strait Islander communities.
- Joint patrols with Indigenous ranger groups and clean-ups of derelict fishing gear have reduced harm to the environment.
- Consultation has commenced with Aboriginal organisations, communities and the fishery working groups on a draft Indigenous commercial fishing industry development policy. The policy proposes setting aside a separate Indigenous commercial allocation in each fishery harvest strategy to support economic development opportunities.

### Shark Control Program

The Queensland Shark Control Program commenced in 1962 using a combination of shark nets and drum lines to reduce the possibility of a shark attack in Queensland. The program now operates at 86 of Queensland's most popular beaches, 27 of which are located within the Great Barrier Reef Marine Park.

During 2018–19, the program removed 557 sharks. Catch statistics for the program are available at [daf.qld.gov.au](http://daf.qld.gov.au).

Since the program started, there has been one shark fatality at a shark-controlled beach in Queensland.

Releasing entangled whales is a program priority. Fully trained marine animal release teams located at Mackay, the Sunshine Coast and the Gold Coast are experts in the safe release techniques used with these animals. Since 2006, the team has ensured the successful release of all but two whales as they migrated along Queensland's coast.

An unprecedented spate of shark attacks on swimmers occurred in Cid Harbour in the Whitsundays, which was outside the area of the Shark Control Program. In November 2018, Queensland Government outlined a five-point plan in response to the incidents. This included:

- \$250 000 towards scientific research into shark prevalence and behaviour in Cid Harbour
- maintaining Cid Harbour as a no-swim zone until that assessment is complete
- a high-profile education campaign to immediately educate locals and visitors about shark safety

- development of the broader SharkSmart education campaign, similar to the successful Crocwise campaign running in North Queensland
- continuing to meet with industry stakeholders and experts to develop and progress responses.

Fisheries Queensland is on track with full implementation of the five-point plan.

The Humane Society International requested the Administrative Appeals Tribunal review the decision by the Great Barrier Reef Marine Park Authority to approve a 10-year permit for continued operations of the DAF Shark Control Program in the Great Barrier Reef Marine Park. A decision of the tribunal handed down in early 2019 would place additional requirements on the Shark Control Program's operation in the Great Barrier Reef Marine Park. The department is appealing the decision.

## Strategy 3.5B

Balance economic forestry resource use with environmental and social values

### Contributing impact areas



Forestry



Horticulture and forestry science

**KPI** Accreditation of DAF forestry management systems

Performance monitored by a DAF service standard

**Table 13** Service standard—accreditation of our forestry management systems

Indicator	Measure	Results				
		2014–15	2015–16	2016–17	2017–18	2018–19
Service standard (effectiveness)	Percentage of findings from the previous third-party audit confirmed as satisfactorily addressed in order to maintain certification to the <i>Australian standard: sustainable forest management (AS4708:2013)</i>	Not measured	100%	100%	100%	100%

**Table 14** Service standard—authorised removal of forest products

Indicator	Measure	Results
		2018–19
Service standard (efficiency)	Average expense necessary to authorise the removal of a cubic metre of forest products:	
	• native forest timber (expenses/m <sup>3</sup> )	\$37.11
	• quarry material (expenses/m <sup>3</sup> )	\$0.65

**Note:** The new measures for 2018–19 illustrate the efficiency of the management and administration of state-owned forest and related resources.

## Proactive quarry material resource assessment

As part of its commitment to responsibly manage some of Queensland's state-owned natural resources, DAF proactively investigates potential sources of state-owned quarry material with a view to making it available to the market. This material ranges from gravel and ballast, such as that used in rail line construction, to high-quality hard rock used by industry in major infrastructure development projects.

DAF Forestry engaged industry professionals to conduct a sample drilling program in Wongi State Forest, near Childers. The purpose of the sampling program was to determine the extent and quality of a previously identified hard-rock resource, and to undertake further laboratory analysis to better understand the properties of the rock and its consistency.

A report of the results of the drilling program is currently under consideration by DAF. This will be used to inform further assessment of the resource's future viability and use. If the resource is proven, and there is market demand for this material, it could provide a valuable resource to supply the wider Bundaberg region well into the future.



A percussion drill being used to sample the hard-rock resource to a depth of 25 metres; DAF staff provided assistance through site set-up, logistics and supporting field sampling activities

## Forest management system

DAF's forest management ensured that state-owned forests delivered a range of benefits to the community. In addition to providing economic benefits derived from the sale of timber, other forest products and quarry materials, DAF's management contributes to the maintenance of biodiversity, forest health, soil, water, cultural heritage and other values.

DAF's forest management system is independently audited and certified as compliant with the requirements of the internationally recognised *Australian standard: sustainable forest management* (AS4708:2013). Certification for native forest timber allows customers to be certified under an associated chain-of-custody program, permitting them to promote, market and sell their timber products as being sourced from sustainably managed native forests.

DAF performed well against its forest product sales service delivery standards in 2018–19. DAF is expecting that industry demand for state-owned log timber will continue to be strong in 2019–20.

Quarry material removals have met forecast expectations for the year despite adverse weather significantly disrupting operations and demand in northern and north-western Queensland. Timber removals exceeded forecast expectations due to increased demand from hardwood and cypress permit holders during the year. Quarry material sales are expected to increase in northern Queensland and remain strong in the balance of Queensland in 2019–20. Strong demand is due to increased mining-related activities, disaster recovery roadworks and infrastructure investment.

Two case studies highlight examples of DAF's work—the first (left) shows how we support local communities and the second (page 61) shows how we deliver jobs and economic opportunities for remote Indigenous communities.





The first barge being loaded with harvested timber

## Harvesting of hardwood timber by local Indigenous timber company

After several years of planning and negotiation, the first barge of hardwood timbers harvested by WIK Timber Holdings departed Hey Point, Weipa, in November 2018.

WIK Timber's harvesting operations are authorised by DAF Forestry, and are undertaken on bauxite mining leases located south of the Embley River on western Cape York. The state-owned timber being harvested by WIK Timber is in advance of clearing that has been planned in preparation for mining operations.

The leases are held by Rio Tinto Alcan Pty Ltd. WIK Timber had for some years been unable to commence harvesting operations until it reached agreement with Rio Tinto about a range of matters, including WHS issues. Agreement was reached in 2018 and timber harvesting began shortly after.

DAF supervises WIK Timber's harvesting operations and also assists with required training and support to appropriately select trees for harvesting.

WIK Timber is owned by the local Traditional Owners, providing economic benefits and employment for the local community. The first barge of timber contained 1150 tonnes of mostly Darwin stringybark sawlogs and was sent to Cairns for processing. During the year, further barge loads were sent for processing by WIK Timber.

### Managing the plantation licence

HQPlantations Pty Ltd produces approximately 80% of Queensland's log supply that is used by the softwood processing sector. In 2018–19, DAF oversaw the company's compliance with its plantation licence obligations to ensure the best outcomes were delivered for Queenslanders.

HQPlantations also maintained certification under the *Australian standard: sustainable forest management (AS4708:2013)*. Under the licence, it is required to transfer the management of 10 state plantation forest areas with high conservation value to the state by 2050. Transfer of several areas that have been partially harvested and rehabilitated has already occurred. The transitioned areas total approximately 230 hectares. In addition, HQPlantations has agreed to a staged surrender of its plantation licence to convert Yurol and Ringtail state forests near Noosa to protected area tenure.

## Former DAF workshop repurposed for community use

In February 2019, DAF Forestry finalised the transfer of a former Forestry workshop at Yarraman to the Yarraman and District Historical Society for use by the local community.

The state retained ownership of the workshop property after its former plantation business was sold in 2010. The workshop, previously used to maintain forestry machinery, has been not been used since this time.

In late 2018, the historical society approached DAF seeking support for the property to be transferred and used by the local Yarraman Men's Shed Association. The transfer was supported and the site was handed over in late June 2019.

## Our priorities for 2019–20: innovative, responsive and sustainable

We will:

- work with industry to create the conditions to drive innovation, productivity and jobs
- build capacity of agribusinesses and communities to meet sector challenges
- promote responsible use of national resources to underpin productivity, environmental sustainability and healthy lifestyles.

The key actions planned for each our service areas in 2019–20 are given below.

### Agriculture

- Develop a strategy for development of agribusiness and the food industry to encourage employment growth and private sector investment.
- Promote Queensland's agricultural products and innovations internationally to grow exports and attract investment.
- Continue to implement the *Queensland agriculture and food research, development and extension 10-year roadmap and action plan*.
- Provide grants of up to \$250 000 (matched with co-contributions from grant applicants) for projects under the Rural Economic Development Grants program, to promote industry development and jobs in rural communities. (These grants are administered on our behalf by QRIDA.)
- Support agricultural industries in Great Barrier Reef catchments to improve Reef water quality outcomes through practice change.
- Negotiate with industry to determine a 10-year roadmap to create a pathway towards zero net emissions in the agriculture sector by 2050.
- Support the rebuilding of rural communities and industries by providing assistance to northern and western Queensland recovery operations and by maintaining assistance under the existing Drought Relief Assistance Scheme.
- Continue to build strong partnerships to grow the effectiveness of the Drought and Climate Adaptation Program.
- Implement the Intergovernmental Agreement on National Drought Program Reform.
- Reshape vocational education and training in the state's central west by implementing modern, cost-effective training modules, working closely with the Department of Employment, Small Business and Training.
- Work with industry to investigate the feasibility of abolishing stamp duty on agricultural insurance products and removing the reliance of primary producers on government assistance during natural disaster.

## Biosecurity Queensland

- Continue to position Queensland as a leader in preparedness and enhance Queensland’s biosecurity prevention and response capability through the Biosecurity Capability Implementation Program.
- Implement the *Queensland biosecurity strategy: our next five years 2018–2023* and develop action plans for each of the themes, in collaboration with key stakeholders.
- Deliver Queensland’s obligations under the national biosecurity system (including strengthening of Australia’s fruit fly system).
- Provide grant funding through the Queensland Feral Pest Initiative to help producers construct wild dog exclusion fencing. This funding is targeted in drought-affected sheep-and wool-producing areas with the ultimate goal of bringing large numbers of sheep back to these areas.
- Continue eradication programs including those for red imported fire ants, electric ants, exotic fruit flies in the Torres Strait, varroa mite and four tropical weeds.
- Continue the monitoring and management of Panama disease tropical race 4 in banana-growing areas.
- Implement recommendations approved by the Minister following the Animal Welfare Advisory Board’s review into companion animal welfare.

## Fisheries and Forestry

- Continue to implement the *Queensland sustainable fisheries strategy 2017–2027* to support fisheries reform.
- Review the Fisheries Regulation 2008 to create a legislative framework for recreational fishers that is contemporary, simple to understand and reflective of community expectations.
- Establish fish-aggregating devices in South East Queensland to promote recreational fishing.
- Upgrade the fisheries compliance system.
- Improve swimmer safety through:
  - continuing the Shark Control Program
  - undertaking research and trialling the application of new technologies (including drones) to mitigate risk
  - delivering education and awareness programs in partnership with the Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID), and Queensland Fire and Emergency Services.
- Develop a Queensland Government policy on the future of timber production in state-owned native forests.
- Supply state-owned forest products and quarry material on a commercial and environmentally responsible basis.

## Corporate

To support these service areas and enable them to deliver outcomes for Queenslanders effectively and efficiently, the following key actions, aligned to our values, are planned for 2019–20.

<b>Customers first</b>	<ul style="list-style-type: none"><li>• Implement our impact and investment framework to deliver services valued by the community and build long-term financial sustainability.</li><li>• Implement an information security management system to ensure the protection, integrity and availability of critical information.</li></ul>
<b>Ideas into action</b>	<ul style="list-style-type: none"><li>• Engage employees in the vision of <i>FutureDAF</i> and draw on their diversity to empower innovation.</li></ul>
<b>Unleash potential</b>	<ul style="list-style-type: none"><li>• Begin to transform our operations and improve the ability to work and access services from anywhere through the priority actions of the <i>DAF digital strategy 2018–22</i>.</li><li>• Implement our stakeholder engagement strategy and promote use of the toolkit to clarify expectations on ways of engaging and influencing the department's policies and services.</li></ul>
<b>Be courageous</b>	<ul style="list-style-type: none"><li>• Develop a program to reduce net carbon emissions from our operations to provide a leading example for industry and communities.</li></ul>
<b>Empower people</b>	<ul style="list-style-type: none"><li>• Roll out our strategic workforce plan and further the recommendations from the department's capability blueprint review to build the capabilities needed now and in the future.</li><li>• Reinvigorate our health and safety system to improve the management of hazards and minimise our people's exposure to risk.</li></ul>

# Our future DAF—preparing the way

## Corporate governance

The Director-General, as the accountable officer for DAF, has responsibility under the *Public Service Act 2008* (s. 98) for the governance and operation of the department. The Board of Management supports the Director-General in this role.

Good governance is fundamental to improving performance, achieving better service delivery outcomes, and meeting corporate obligations and legislative requirements. DAF is committed to continuous improvement and ensuring the department is delivering efficient and transparent outcomes for Queensland.

### Governance committees

DAF's governance structure (see Figure 8) aligns strategy to performance and accountability. Departmental governance committees advise and assist the Director-General in fulfilling her role to manage the department in a way that promotes the effective, efficient and appropriate management of public resources. Further details on each of the committees is contained in Table 15. DAF is also part of the Business and Corporate Partnership and participates in those governance arrangements.

DAF's governance is supported by our impact and investment framework (see page 15). The framework links planning and performance to the delivery of impact. It provides a line of sight for individuals from their day-to-day work to departmental goals and positions DAF to demonstrate how its work makes a difference and represents good value for money.

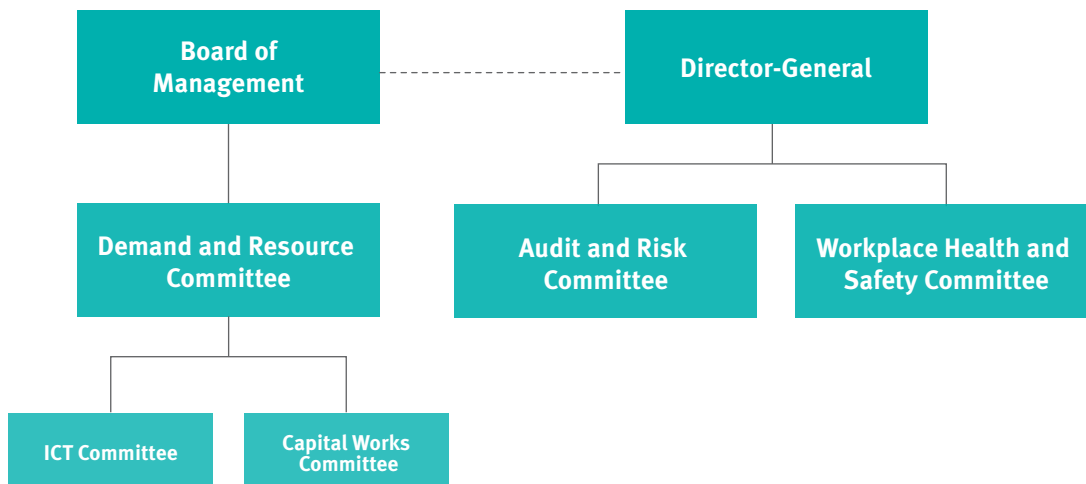


Figure 8 DAF's governance committee structure at 30 June 2019

Table 15 DAF's governance committees at 30 June 2019

Committee name	Chair and key responsibilities
Board of Management	<p><b>Chair:</b> Director-General</p> <p>Provides leadership and decision-making that sets the strategic direction of the department to ensure goals and objectives are met</p>
Demand and Resource Committee	<p><b>Chair:</b> Deputy Director-General, Biosecurity Queensland</p> <p>Oversees the development and implementation of systems, practices and controls to ensure the efficient, effective and economic financial and performance management of the department</p>
Workplace Health and Safety Committee	<p><b>Chair:</b> Director-General</p> <p>Ensures statutory and organisational requirements for the management of WHS matters are met</p>
Information and Communication Technology Committee (subcommittee of the Demand and Resource Committee)	<p><b>Chair:</b> Deputy Director-General, Corporate</p> <p>Provides assurance to the Director-General and the Board of Management that information and communication technology (ICT) management, operations and expenditure deliver the outcomes sought within risk appetite, budget and time lines</p>
Capital Works Committee (subcommittee of the Demand and Resource Committee)	<p><b>Chair:</b> Executive Director, Agri-Science Queensland</p> <p>Evaluates proposals for minor capital expenditure programs and maintenance</p> <p>Provides recommendations to the Demand and Resource Committee on budget proposals</p>
Audit and Risk Committee	<p><b>Chair:</b> Sue Ryan (independent member)</p> <p>Reviews, monitors and recommends improvements to the department's governance arrangements, risk management, internal and financial control processes and processes for monitoring compliance with legislation and government policy</p> <p>Provides independent advice and assurance to the Director-General in meeting obligations under the <i>Financial Accountability Act 2009</i></p>

## Audit and Risk Committee

The Audit and Risk Committee assists the Director-General to improve the organisation's accountability and performance in accordance with its charter and the Queensland Treasury's *Audit committee guidelines: improving accountability and performance* (June 2012). The Audit and Risk Committee is the only governance committee that has an independent chair. It also has independent as well as departmental representatives. Independent members, who are external to the public service, are entitled to be remunerated for their time.

The committee convened five times during 2018–19. Internal Audit Service provided secretariat support to the committee. Key matters considered by committee members included review and revision of the committee charter, review of 74 internal audit recommendations and closure of 47 internal audit recommendations. Committee members were also provided with recommendations from Queensland Audit Office (QAO) reports to Parliament related to the department. During 2018–19, 15 recommendations were actioned and closed. Refer to 'Accountability and risk management' (page 69) for the internal and external audits of the department's operations.

**Table 16** Audit and Risk Committee membership between 1 July 2018 and 30 June 2019

Name	Position	Committee role	Number of meetings	Number of meetings attended	Remuneration paid
Graham Carpenter	Consultant	Chair External member	1	1	\$2400
Sue Ryan	Consultant	Chair External member	5	4 1	\$9600 \$600
Virendra Dua	Consultant	External member	5	5	\$9090
Dr Wayne Hall	Executive Director, Agri-Science Queensland	Internal member	5	4	---
Claire Andersen	Executive Director, Fisheries	Internal member	5	5	---

**Note:** Audit and Risk Committee external members' fees are paid by DES under the Business and Corporate Partnership Arrangements.

As an independent external member and chair of the committee, Graham Carpenter was entitled to be paid \$2400 per meeting (excluding GST) to a maximum of \$12 000 per calendar year (excluding GST). Graham's appointment as independent external chair of the committee expired on 28 September 2018.

As an independent external member, Sue Ryan was entitled to be paid \$600 per meeting (excluding GST) to a maximum of \$3000 per calendar year (excluding GST) and as an independent external chair of the committee, Sue was entitled to be paid \$2400 per meeting (excluding GST) to a maximum of \$12 000 per calendar year (excluding GST). As an independent external member, Virendra Dua was entitled to be paid \$1818 per meeting (excluding GST) to a maximum of \$9090 per calendar year (excluding GST). These fees were payable to the committee members for their services to prepare for, and attend, up to five meetings per year.

## Business and Corporate Partnership

The Business and Corporate Partnership delivers corporate services and business programs to support four Queensland Government departments—DAF, DES, DNRME and DITID—to deliver their priorities.

The Partnership operates through three corporate hubs embedded in DAF, DES and DNRME. Each hub is managed by a Head of Corporate, who is responsible for delivering a set of core services (to the host agency) and a number of cooperative services (to partnering agencies). DAF hosts the information technology, online learning and fleet services and receives legal, accommodation, internal audit, procurement, right-to-information and privacy services from its partner agencies.

Until October 2018, the Business and Corporate Partnership board comprised the Director-Generals of DAF, DNRME and DES, as well as the three Heads of Corporate. Following a QAO review (see 'External scrutiny', page 70), the work of the board was refocused to deliver on the recommendations for shared corporate services. Membership was also revised to include the Deputy Director-General, Corporate of DES (chair), the Heads of Corporate for DAF, DNRME and DES, and a representative of DITID and the Department of Housing and Public Works.

## Ethics and integrity

The Queensland public service values are fundamental to DAF's focus on accountability and performance. By demonstrating these behavioural standards, the department builds public trust and is a rewarding place for employees to work.



### Customers first

- Know your customers
- Deliver what matters
- Make decisions with empathy



### Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries



### Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback



### Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency



### Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you

Figure 9 The Queensland public service values

All DAF employees are expected to demonstrate high ethical standards and values in accordance with the *Code of conduct for the Queensland public service*. All employees undertake code of conduct and ethical decision-making training upon commencement and annually thereafter. At 30 June 2019, 96% of staff had completed this training.

The department has a zero tolerance for fraudulent or corrupt behaviour. In 2018–19, 91% of staff completed fraud awareness and corruption prevention training. This training is mandatory upon commencement and must be completed again every 2 years. International Fraud Awareness Week ran from 11 to 17 November 2018 and statewide, face-to-face fraud and corruption awareness training was delivered to managers to ensure staff remained vigilant to these behaviours.



DAF also concentrated training and coaching efforts on helping managers and supervisors apply the sector-wide Conduct and Performance Excellence framework to intervene early and resolve unsatisfactory conduct and performance. The department released its new Managing Employee Conduct and Performance Policy and Procedure and Employee Complaints Management Policy and Procedure in March 2019 to support staff in undertaking these roles. All staff are required to have individual performance and development agreements that include specific obligations in relation to conduct.

We encourage customers to tell us if they are dissatisfied with a service or decision they receive from the department. To improve our complaints management handling, DAF partnered with the Queensland Ombudsman Office to conduct a series of training sessions across the department. Approximately 100 staff from across the state attended. The customer complaints procedures and recording system have also been improved.

Our complaints management framework is being reviewed to ensure DAF can properly respond to strengthened human rights grounds for complaints when this part of the *Human Rights Act 2019* commences on 1 January 2020.

DAF promoted use of the new Engagement Hub—this one-stop shop has a variety of tools for stakeholder engagement. Also, we established a community of practice to improve how stakeholders, the public and staff influence DAF's policy and strategy development.

## Accountability and risk management

### Internal audit

Internal audit provides the Director-General, the senior executive and the Audit and Risk Committee with independent, objective assurance on DAF's risk management, control and governance processes. As part of the Business and Corporate Partnership, Internal Audit Service (a business unit within DES) undertakes internal audits for DAF.

Internal Audit Service completed the following reviews under the DAF 2018–19 Strategic Internal Audit Plan:

- National Red Imported Fire Ant Eradication Program Procurement Review
- National Red Imported Fire Ant Eradication Program Governance and Operational Planning Review
- Rapid Assessment Unit Near Infrared Spectroscopy System Business Case Review
- Cyber Security Metrics and Reporting Review
- Agricultural Grants Management Review.

The following reviews have commenced under the plan:

- Compliance with Financial and Administrative Processes—Agri-Science Queensland; Customer Business Services; Biosecurity Queensland and Corporate
- Data Security Risk Management Review
- The Human Firewall Review
- Biosecurity Queensland—Cost Sharing Agreements Review.

Additional activities undertaken by Internal Audit Service were:

- reporting on the results of internal audits and assurance reviews undertaken, and the status of DAF management’s implementation of audit recommendations, to the Audit and Risk Committee
- liaising with QAO to ensure there was no duplication of audit effort
- providing advice on corporate governance and related issues, including fraud and corruption prevention programs and risk management
- reviewing the department’s annual financial statements and Chief Finance Officer’s statements prior to them being presented to the Audit and Risk Committee.

## External scrutiny

DAF’s operations were subject to scrutiny from a range of external sources that help us improve and meet government and community expectations of accountability. Table 17 outlines the reviews, external audits and legal actions where the department has been required to respond in 2018–19.

**Table 17** Reviews, external audits and legal actions requiring response from DAF

Organisation	Report and findings	DAF response
Independent panel commissioned by Queensland Government	<p><i>Drought program review (Queensland): January 2019</i></p> <ul style="list-style-type: none"> <li>• 20 whole-of-government recommendations, including closer consultation with industry stakeholders</li> <li>• 13 accepted by Queensland Government with a further 6 accepted in principle</li> <li>• DAF recommendations related to drought declarations, financial counselling, drought preparedness and recovery, risk management, planning and ongoing support for the Queensland Drought and Climate Adaptation Program</li> </ul>	<ul style="list-style-type: none"> <li>• Published the <i>Queensland drought management framework 2019–2024</i></li> <li>• Redirected a component of funding from DRAS to commence drought program reforms</li> <li>• Developing a drought severity index to transition future drought declarations to a more scientific basis</li> <li>• Working with industry to develop future resilience programs</li> </ul> <p>(For more details on drought reform, see page 37)</p>
Independent review commissioned by Queensland Government	<p><i>Review of the future of vocational education, training and skilling in central-western Queensland, 20 June 2018</i></p> <ul style="list-style-type: none"> <li>• Residential training outdated and unsustainable with assets underutilised</li> <li>• Longreach and Emerald agricultural colleges to cease operations</li> <li>• Other providers be given responsibility for delivering more modern, diversified and flexible training options to these communities</li> </ul>	<ul style="list-style-type: none"> <li>• Queensland Government made the decision to close the QATC at the end of the 2019 academic year</li> <li>• DAF established a PMO to work closely with the community, QATC and other stakeholders to oversee the closure and ensure the communities’ access to modern alternative training options</li> </ul>

(continued)

Table 17 (continued)

Organisation	Report and findings	DAF response
Auditor-General/QAO	<p><i>Monitoring and managing ICT projects—report 1: 2018–19</i></p> <ul style="list-style-type: none"> <li>• Explored and made recommendations on improving the monitoring of projects at the departmental and whole-of-government levels to ensure successful delivery of ICT program and projects</li> </ul>	<ul style="list-style-type: none"> <li>• Addressed all the recommendations made to departments</li> </ul>
Auditor-General/QAO	<p><i>Delivering shared corporate services in Queensland—report 3: 2018–19</i></p> <ul style="list-style-type: none"> <li>• Assessed Queensland Government’s shared service providers’ delivery of value for money now and positioning to successfully deliver into the future</li> <li>• Recommended each shared corporate service provider: <ul style="list-style-type: none"> <li>– have a clear strategy for each service and standards for volume, quality and timeliness, and understand the full cost per service</li> <li>– maintain a well-defined catalogue of its services aligned to Queensland Government’s Business Service Classification Framework to enable comparison across providers</li> <li>– establish a transparent pricing strategy and formal agreement with customers</li> <li>– work with cross-government governance arrangement for the shared corporate services to maintain business, technology and people strategies that support ongoing success</li> </ul> </li> <li>• Recommended customers of shared services contribute to driving effectiveness and efficiency of shared corporate services</li> </ul>	<ul style="list-style-type: none"> <li>• Accepted the QAO recommendations and has completed three of the recommendations</li> <li>• Working with partner agencies to collectively implement the remaining recommendations</li> </ul>
Auditor-General/QAO	<p><i>Delivering shared corporate services in Queensland 2019: interim report on work performed to 18 April 2019</i></p> <ul style="list-style-type: none"> <li>• Assessed DAF’s internal control framework and identified a summary of control deficiencies, financial reporting and other matters</li> </ul>	<ul style="list-style-type: none"> <li>• Updating the ‘Employee expenses’ section of the <i>Financial management practice manual</i> to enhance the requirements for payroll reconciliation, supported by internal communications to ensure DAF staff are aware of their responsibilities</li> </ul>

(continued)

Table 17 (continued)

Organisation	Report and findings	DAF response
Crime and Corruption Commission	<p><i>Managing the security risk associated with chemicals of security concern</i></p> <ul style="list-style-type: none"> <li>Reviewed public sector agencies' management systems in laboratories and workplaces for chemicals that are precursors to homemade explosives, toxic devices and illicit drugs</li> </ul>	<ul style="list-style-type: none"> <li>Continues to review its Chemwatch procedures and conduct workplace audits to ensure security and safety</li> </ul>
Crime and Corruption Commission	<p><i>Managing corruption risks associated with secondary employment summary report</i></p> <ul style="list-style-type: none"> <li>Examined and made recommendations to agencies on managing corruption risks associated with secondary employment to ensure best practice</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed and implemented changes to conflict of interest policy and related policies and guidance materials</li> </ul>

## Risk management

Risk management is integral to the department's strategic and operational environment. We strive to use risk management to identify and pursue opportunities and prioritise resources in line with our risk appetite and to ensure effective delivery of our activities and objectives. Our enterprise risk management framework aligns to the AS/NZS ISO 31000:2018 risk management standard and outlines our approach to managing risk. Risks are identified and managed at enterprise, business operations and key project levels across DAF.

All governance committees regularly reviewed risks pertaining to their charter, with the Audit and Risk Committee providing independent assurance over implementation of the framework, risk management practices and risk mitigations.

Throughout 2018–19, Corporate's risk team facilitated a range of enterprise-wide risk assessments. Key activities included:

- assessment of fraud and corruption risk, which supported the revision of the department's Fraud and Corruption Control Plan
- assessment of information security risk in its critical information assets, which supported the department's implementation of the new Information Security Management System (ISMS)
- updating of emergent risks, as well as quarterly review and reporting on treatment progress and control effectiveness against the organisational risk profile.

There was also a major focus on improving WHS to better manage hazard risks. Our WHS efforts during 2018–19 are discussed under 'Our people' (page 75).

Business continuity management is an important part of our approach to risk management. The department's business continuity management system has matured. All business groups have assessed their business continuity needs and have current plans in place for critical functions. This year's business continuity exercise tested critical functions within Corporate and Biosecurity Queensland. As a result of this exercise, we implemented improvements to our emergency management procedures and governance functions.

# Information management

## Information systems

Contemporary, efficient information systems help DAF make sound decisions and improve its services. They also enable the department to meet its legislative obligations and strategic objectives.

This year's key ICT initiatives included:

- successful completion of releases 1 and 2 of the Registered Biosecurity Entity Renewal Project, which is an end-to-end registration process to allow effective management of biosecurity entity registration
- implementation of Keystone, a new customer relationship management system that provides the DAF Customer Service Centre with multi-channel communication options to better serve customers and to enhance DAF's preparedness capability during biosecurity incidents and natural disasters
- continued development of the communication and stakeholder engagement solution to gain efficiencies in conducting site assessments and generating biosecurity instrument permits
- continued development of integration enhancements to the Plant Biosecurity Laboratory's information management system to include processes for the analysis of fruit fly surveillance traps.

## Information security

Our new Information Security Management System (ISMS) was developed in 2018–19 to enable DAF to meet the requirements outlined in the revised Queensland Government Information Security Policy (IS18). The new ISMS reflects a radically different approach to information security, one that emphasises risk-based decision-making. Implementation has enabled DAF to meet its attestation requirements for critical information assets and we are currently working towards including all information assets within the ISMS over the next 2 years.

## Records management

The department maintains a comprehensive records management framework that is compliant with the *Public Records Act 2002*, the *Public Service Act 2008* and the Queensland State Archives Records Governance Policy. The Digital Recordkeeping Futures Plan outlines our key strategic directions for recordkeeping. Our digital recordkeeping approach supports business areas using new technologies to maximise the use of digital records in business processes.

Paper recordkeeping has declined. Legacy paper records are being digitised where required for business processes. The number of records transferred to offsite storage has also declined. Current holdings are being reviewed against the approved retention and disposal schedule to identify records for disposal. In 2018–19, 500 boxes of physical records were transferred to Queensland State Archives. The Digitisation Disposal Policy is used to dispose of paper after it has been digitised.

Records Management continues to identify and capture high-value digital records from business systems, such as Sharepoint and other desktop applications, and harvest these into the corporate recordkeeping system—eDOCS. There is an ongoing program to appraise new business systems for digital recordkeeping compliance.

## Releasing information

Within our digital world, access to information and data is essential to enable individuals, businesses and other entities to respond to and evolve with rapid changes in technology and consumer demand. This year saw a major refresh in the way DAF's services, information and data are presented and made available through the Queensland Government's website and its many portals (including the DAF corporate website) to improve access for our customers and the general public. In accordance with the *Right to Information Act 2009*, categories of public information that the department makes available are listed at [daf.qld.gov.au](http://daf.qld.gov.au).

Queensland Government has also committed to releasing non-sensitive data and to allowing it to be freely used, reused and distributed by anyone. Our *Open data strategy 2018–2020* was revised this year and complemented with an action plan focused on improving our open data maturity and continually improving the way we publish data. The strategy recognises the potential that open data gives to many stakeholder groups for innovation across multiple sectors and industries.

Our data is made available via the Queensland Government's Open Data portal ([data.qld.gov.au](https://data.qld.gov.au)). A range of specific public disclosure requirements are now published through the Open Data portal instead of being included in the annual report. These include:

- consultancies
- overseas travel
- the *Queensland language services policy*.

Our Research Information Service also provides a freely available digital archive of DAF's scientific and research publications and datasets—eResearch Archive—to internet users across the world.

# Our people

## Our profile

Figure 10 provides an overview of the DAF workforce profile at 30 June 2019. DAF had 2052.83 full-time equivalent (FTE) staff and a permanent separation rate of 5.3%.

The FTE total included 223 Business and Corporate Partnership staff providing services to other agencies.

During 2018–19, two employees received redundancy packages at a cost of \$323 643.31.

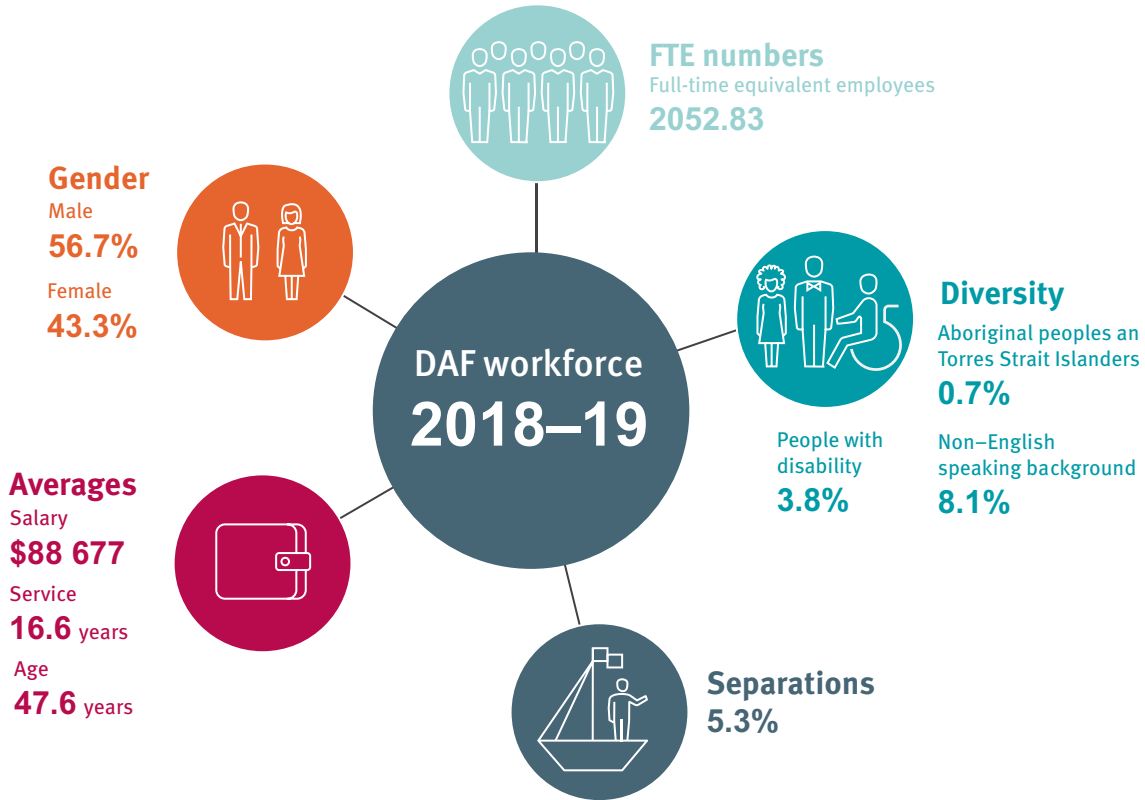


Figure 10 DAF’s workforce as at 30 June 2019

Source: Queensland public sector quarterly workforce profile for June 2019 (based on the June 2019 Minimum Obligatory Human Resource Information data).

## A workforce for now and the future

Our Strategic Human Resource Management Plan ensures that our key workforce initiatives are built around, and contribute to, all four levers of change identified by the Public Service Commission's 3-year human capital strategic road map—talent acquisition, leadership and capability, new ways of working, and culture—as they apply across the 'life cycle' stages of acquisition, development and succession of our DAF employees.

Initiatives to support talent acquisition included:

- recruitment and selection training such as promotion of DAF-specific guidelines and templates
- unconscious bias training to examine our tendency to respond in a particular way and strategies to consciously override that tendency and make unbiased decisions
- the DAF Incentives Program, which provides flexibility to recruit employees to critical roles where it has been historically difficult to attract and retain high-calibre staff.

We delivered blended leadership and capability learning and development initiatives to future-proof our leadership through:

- supporting internal talent development through the Study and Research Assistance Scheme
- expanding online learning via staff access to LinkedIn Learning's more than 10 000 courses teaching managerial, business, software and creative skills
- providing 55 identified high performers below senior officer level with 360° feedback and debriefing opportunities that help inform relevant succession planning activities such as cross-group rotations and short-term project opportunities
- supporting 15 Corporate staff to participate in a pilot Emerging Leaders program, which is a 12-month curriculum based on a 70:20:10 model of real-world problem-solving, practice and theory
- delivering 'Confident people management', an action-learning based program, to high-performing team leaders and emerging leaders
- recognising and rewarding outstanding performance and exceptional achievement by progressing the careers of 43 technical officers to the next level under the Professional and Technical Officers Progression Scheme; also, calling for and assessing applications for the progression of professional officers (announcements of officers who were successful in gaining professional progression to be made shortly).

A diverse and inclusive workplace helps us understand and serve the needs of all Queenslanders. Key initiatives supported in 2018–19 to improve our diversity profile and raise awareness of DAF as a place to work included:

- engaging with Aboriginal people and Torres Strait Islanders at the Family Fun Day at Musgrave Park during NAIDOC Week, allowing them to experience the use of drone technology for the sheep and beef industries and use iPads to access the Queensland Recreational Fishing App
- holding a 2-day workshop to discuss initiatives and strategies for attracting Aboriginal people and Torres Strait Islanders to the department; from this, identifying over 60 actions and forming an Aboriginal and Torres Strait Islander network to raise visibility of Indigenous issues and provide mentoring and coaching opportunities
- live-streaming a panel discussion (including representatives from the Queensland University of Technology and QSuper) to discuss the theme 'Balance for better'; the sharing of professional and personal journeys on finding balance was part of International Women's Day events aimed at addressing women's workforce and career challenges.



## Creating a culture of innovation

We aim to make the most of the collective experience, creativity, knowledge and skills of DAF staff to deliver better outcomes for our industry sector and for Queenslanders. Our *FutureDAF* initiative drives innovation and a culture of continuous improvement to grow a capable workforce that is focused on innovation. Employee feedback from the annual Working for Queensland survey identified areas of improvement from our 2017 capability blueprint assessment, and our strategic plan priorities all inform *FutureDAF* engagement and activities.

Figure 11 highlights engagement and activities undertaken by *FutureDAF* during the year to empower all staff to drive change and find improvements for the way in which we do business. Outcomes from these included:

- improved strategic, business and action plans
- knowledge sharing, mentoring of workplace innovation and greater enthusiasm for new ways of doing things
- technology to automate the ageing of fish and to enable the viewing of the application of a best practice technique to farms through virtual reality
- improved engagement by establishing the Young Agriculture Network on the Darling Downs and social media tools for extension officers
- protection of valuable assets by establishing customer licensing and storage for DAF graphic assets and digitising timber microstructure slides
- better connection between innovators and greater awareness of what is possible.

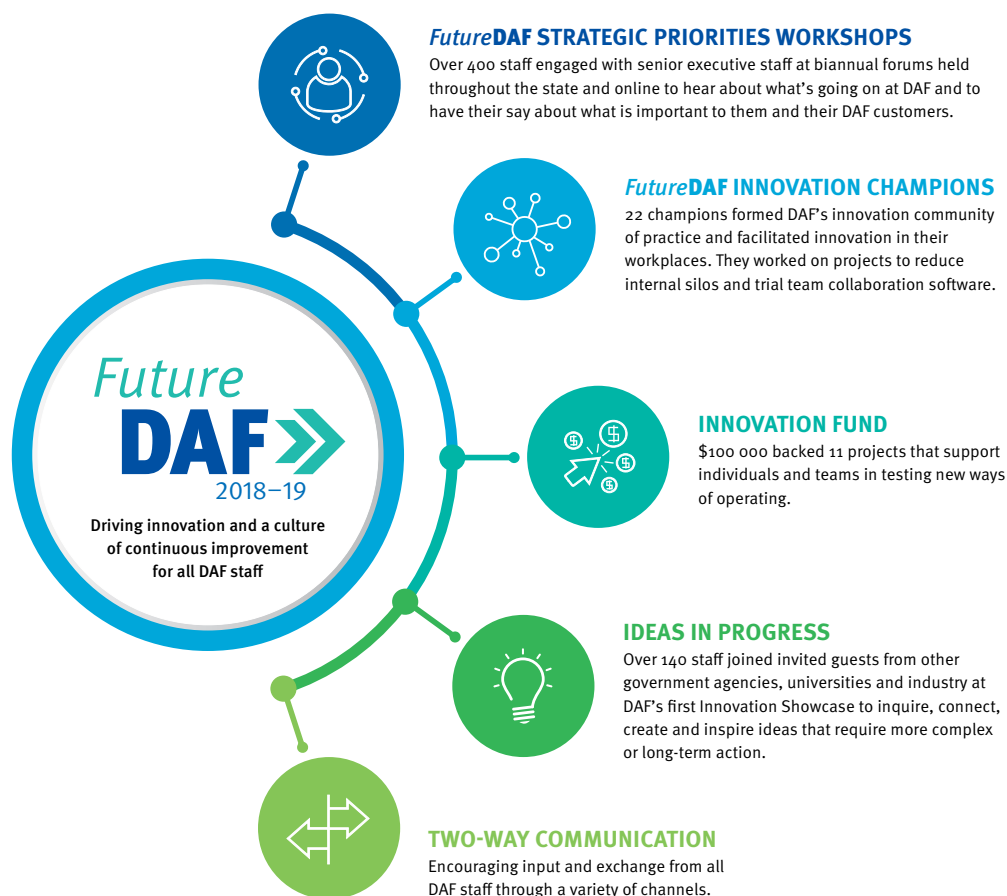


Figure 11 The *FutureDAF* continuous improvement model

Throughout 2018–19, DAF also recognised and celebrated the achievements, innovation and service excellence of staff at various events and awards including:

- the Public Service Medal
- the Prime Minister's Award for Excellence
- DAF Achievement Awards
- DAF Australia Day Achievement Awards.

## Healthy and safe people and workplaces

The department has a strong commitment to the health and safety of all employees, contractors and visitors and the prevention of workplace injuries and illness.

In May 2019, DAF was awarded White Ribbon workplace accreditation in recognition of our commitment to preventing domestic and family violence, supporting affected employees and promoting a safe and respectful workplace culture (see the case study on page 79).

In 2018–19, DAF also spotlighted WHS as one of its strategic priorities. The Workplace Health and Safety Committee and its reference group were tasked with developing a program to raise the profile of WHS. Led by the Deputy Director-General and WHS champions from business groups, the program:

- engaged with staff at statewide *FutureDAF* strategic priorities forums on what we can do as individuals to improve health and safety at work and home
- saw all DAF executives and senior officers renew their commitment to WHS through targeted activities in their individual performance and development agreements, including leading workplace audits
- showcased the best practice across the department in promoting and delivering WHS programs
- commenced a review of WHS arrangements for contractors and outsourced services to ensure both DAF and contracted bodies have effective arrangements in place to safeguard workers' health and safety
- developed and included a chemical awareness online training module as required training for all staff.

The WHS project was supported by existing key initiatives, including:

- our annual health and safety week, which promotes a positive health and safety culture and includes a forum for safety advisers and rehabilitation and return to work coordinators to share best practice
- WHS leadership awards, to recognise those who help make the department a healthier and safer workplace
- scheduled audits, to ensure the maintenance of a safe working environment
- enhanced medical case management processes, to ensure employees are supported to remain at work or return to work as soon as possible after an injury or illness
- training to build capacity around health and safety management, including duties, safety leadership, incident reporting and prevention reviews, Chemwatch, bullying and rehabilitation case management
- an influenza vaccination program for employees.

As a result of the department's successful WHS program, we continued to see positive results and favourable financial outcomes in our WorkCover Queensland premium. Throughout recent financial years, our premium has decreased significantly, and has continued to reduce in the 2018–19 financial year.

In 2019–20, we will continue our work to strengthen support for employees affected by domestic and family violence, address disrespectful behaviours, promote gender equality and increase the confidence and skills of staff to recognise and respond to someone who may be experiencing violence.

## White Ribbon Australia workplace accreditation

In May 2019, the department successfully achieved White Ribbon Australia workplace accreditation in recognition of our commitment to preventing domestic and family violence, supporting affected employees and promoting a safe and respectful workplace culture.

### Key initiatives of the program during 2018–19

- Delivery of 39 domestic and family violence training sessions to 627 staff across the state to increase the capability of our leaders to better recognise, respond to and refer instances of domestic and family violence
- Review of departmental policies, processes and resources to strengthen support for employees affected by domestic and family violence
- Promotion and support of community campaigns aimed at raising awareness of domestic and family violence and available support, including Domestic and Family Violence Prevention Month, White Ribbon Night, Queensland Government's Do Something Bystander campaign, and Our Watch's Your Actions Matter campaign
- A White Ribbon Day event, livestreamed to DAF staff across the state, where guest speakers discussed the impact that domestic and family violence has on the community and the role workplaces and individuals can play in supporting those affected
- Participation in the 2019 Darkness to Daylight Challenge to help raise awareness and support for those affected by domestic and family violence (raising \$3222 for Australia's CEO Challenge)
- A partnership with the Save the Children Refuge in south-western Queensland, which saw DAF employees raise over \$4000 for the refuge and donate items such as clothing, linen, toys and household appliances, and also saw DAF donate 29 iPads that had been retired from departmental use

## Our finances

This financial overview provides a summary of DAF's financial performance and position for controlled and administered activities, and comments on significant movements for the period 1 July 2018 to 30 June 2019.

In accordance with the *Financial Accountability Act 2009*, the Chief Finance Officer has provided the Director-General with a statement of assurance that the department's financial internal controls are operating efficiently, effectively and economically. The department actively manages its financial risks and liabilities and is financially well positioned to meet its objectives as outlined in the strategic plan.

This overview explains how to interpret DAF's financial statements (including explanatory variance notes), by providing a summary (in Table 18) of the three primary financial statements:

1. statement of comprehensive income
2. statement of cash flows
3. statement of financial position.

It also provides more detail on items that make up these statements and the changes that occurred during the reporting period that impacted on DAF's financial outcomes.

For a more comprehensive set of financial statements covering all aspects of the department's activities, see 'Financial statements: 30 June 2019' on page 86.

The statements include a comparison of actual financial results with the budget estimates published in the 2018–19 State Budget Papers, and provide explanations of major variances.

Table 18 Summary of DAF's financial statements (controlled funds) for the period 1 July 2018 to 30 June 2019

Statement of comprehensive income	2018–19 actual (\$m)	2018–19 budget (\$m)
Total income	528.1	481.7
Less: total expenses	528.1	481.7
<b>Operating result for 2018–19</b>	<b>--</b>	

The increase in income and expenses is largely due to additional funding during 2018–19 for national cost-sharing arrangements for pest and disease emergency responses (including the National Red Imported Fire Ant Eradication Program) and higher than expected IT project revenue through the Business and Corporate Partnership arrangements.

The operating result for 2018–19 is a balanced budget position.

Statement of cash flows	2018–19 actual (\$m)	2018–19 budget (\$m)
Balance of cash at 1 July 2018	40.8	42.9
Operating activities	30.6	18.7
Investing activities	(19.4)	(19.8)
Financing activities	(3.5)	(2.5)
<b>Net increase in cash held</b>	<b>7.7</b>	<b>(3.6)</b>
<b>Cash at 30 June 2019</b>	<b>48.5</b>	<b>39.3</b>

The increase in cash balances at the end of the financial year is largely due to the unexpended appropriation revenue to be returned to Queensland Treasury and revenue received in advance for multi-year Reef water quality science projects and contractual agreements for research and development projects.

Statement of financial position	2018–19 actual (\$m)	2018–19 budget (\$m)
Current assets (including cash balances)	100.9	81.1
Non-current assets (including property, plant and equipment)	370.6	371.4
<b>Total assets</b>	<b>471.5</b>	<b>452.5</b>
Current liabilities	61.3	40.8
Non-current liabilities	15.2	15.2
<b>Total liabilities</b>	<b>76.5</b>	<b>56.0</b>
<b>Net assets</b>	<b>395.0</b>	<b>396.5</b>
<b>Total equity at 30 June 2019</b>	<b>395.0</b>	<b>396.5</b>

The increase in current assets is mainly due to higher than expected receivables under national cost-sharing arrangements for biosecurity pest and emergency disease responses (including the National Red Imported Fire Ant Eradication Program, and programs for electric ants and four tropical weeds) and higher than expected cash for revenue received in advance for multi-year Reef water quality science projects, the unexpended appropriation revenue to be returned to Queensland Treasury and contractual agreements for research and development projects.

The decrease in non-current assets mainly represents the transfer of land from non-current assets to current for land held for sale in 2018–19.

The increase in current liabilities is largely due to increased IT contractor payables associated with Business and Corporate Partnership projects, funding received in advance for research and development projects, and an appropriation payable to the Consolidated Fund for end-of-year appropriation adjustments.

## Controlled funds

Controlled funds are those that relate directly to a department’s operational objectives and fall within the control of the department.

### Operating result

The operating result for 2018–19 is a balanced budget position.

### Income—where the dollars came from

Total operating revenues were \$528.1 million, including:

- \$316.1 million (59.9%) through funding provided as service revenue by Parliament
- \$142.1 million (26.9%) in user charges for goods and services (including national cost-sharing revenues for biosecurity pest and disease programs from other states and territories, income received for research and development projects and the provision of services to other government agencies through the Business and Corporate Partnership arrangements)
- \$36.9 million (7.0%) from grants and other contributions (including national cost-sharing revenue from the Australian Government for biosecurity pest and disease programs)
- \$31.6 million (6.0%) from other income sources (including royalty revenues on forest products removed from state land)
- \$1.4 million (0.2%) from disposal and revaluation of assets.

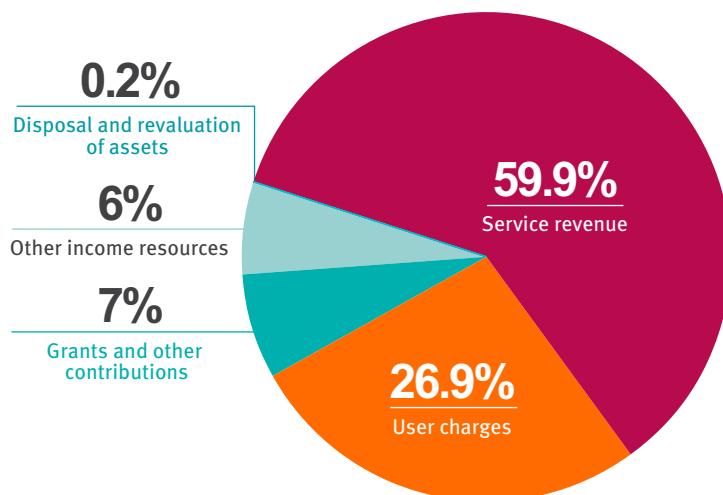


Figure 12 Operating revenues, 1 July 2018 to 30 June 2019

## Expenses—where the dollars were spent

Total operating expenses were \$528.1 million, including:

- \$214.7 million (40.7%) in employee costs
- \$248.5 million (47.0%) for supplies and services including contractors for national cost-sharing biosecurity pest and disease programs, research and development projects, the provision of services through Business and Corporate Partnership arrangements, outsourced service delivery arrangements, accommodation, travel and other operating costs
- \$29.0 million (5.5%) in grants and subsidies mainly including payments under the Drought Relief Assistance Scheme, an Australian Government–funded payment to the Australian Banana Growers' Council associated with the Panama disease tropical race 4 response, payments to Safe Food Queensland and the Darling Downs – Moreton Rabbit Board
- \$19.6 million (3.7%) in depreciation expenses
- \$16.3 million (3.1%) in other expenses, mainly including asset write-downs, special payments, Queensland Government insurance premiums, audit fees and other miscellaneous expenditure.

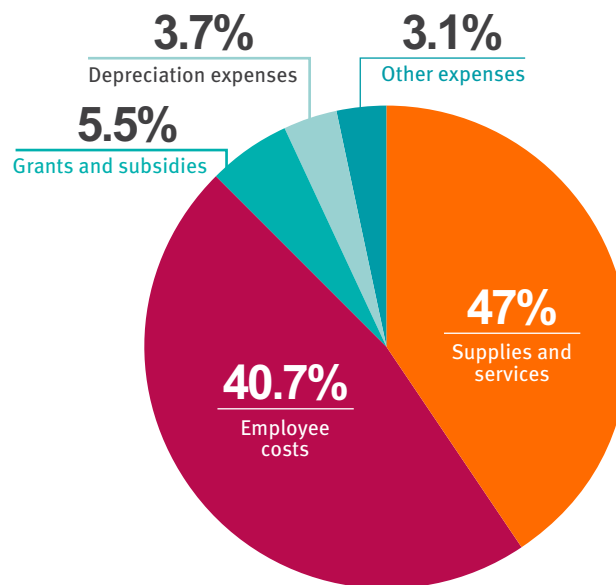


Figure 13 Operating expenses, 1 July 2018 to 30 June 2019

Figure 14 provides a breakdown of operating expenses into the three core service delivery areas of DAF:

- Agriculture (\$234.7 million or 49.6%)
- Biosecurity Queensland (\$157.7 million or 33.3%)
- Fisheries and Forestry (\$81.0 million or 17.1%).

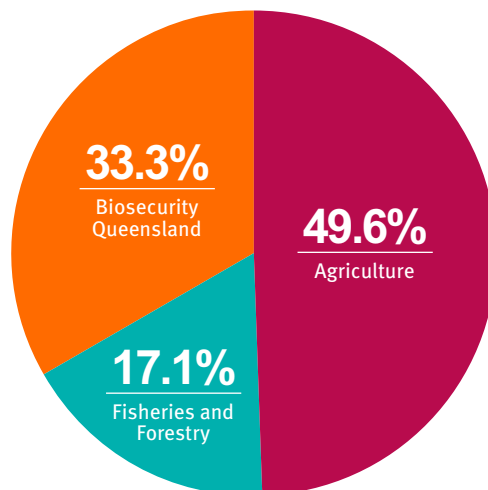


Figure 14 Operating expenses by service areas, 1 July 2018 to 30 June 2019

Expenses for corporate services relating to DAF provided through the Business and Corporate Partnership arrangements have been allocated to respective departmental services. Expenses attributed to other agencies through Business and Corporate Partnership activities are shown separately and not allocated across departmental services.

### Equity—what we are worth

Equity represents net worth, which is calculated by ‘what we own’ (total assets of \$471.5 million) less ‘what we owe’ (total liabilities of \$76.5 million). At 30 June 2019, DAF’s equity was \$395 million.

### Assets—what we own

At 30 June 2019, DAF had total assets of \$471.5 million. The department’s major assets are cash, property, plant and equipment (mainly land, buildings, infrastructure, plant and equipment), prepayments (including lease payments) and receivables (including trade debtors).

### Liabilities—what we owe

At 30 June 2019, DAF had total liabilities of \$76.5 million, which include accrued employee expenses, payables (including trade creditors), an appropriation payable to the Consolidated Fund for end-of-year appropriation adjustments, and revenues received in advance of service delivery (largely funding received in advance of service delivery for research and development projects).

### Capital expenditure

Capital outlays of \$20.6 million in 2018–19 were focused on developing and upgrading research facilities, and replacing plant and equipment to deliver outcomes for agriculture, biosecurity, fisheries and forestry. During 2018–19, the department also made capital grant payments of \$0.5 million for improving the Queensland Country Women’s Association heritage halls and \$0.3 million to assist Paws and Claws animal welfare organisation on the purchase of land for relocation of its current animal shelter facilities.



## Administered funds

Administered funds are those over which the department does not have control but is charged with administering efficiently and effectively on a whole-of-government basis.

During 2018–19, DAF received administered revenue of \$119.4 million comprising administered appropriation revenue from Queensland Government, Racing Queensland's contribution to the Queensland Racing Integrity Commission (QRIC) via administered funds and the collection of regulatory receipts (including taxes, fees and fines) on behalf of Queensland Government.

Appropriation revenue was paid to QRIDA for the administration of assistance schemes, to QATC and to QRIC. Regulatory receipts and Racing Queensland's contribution were paid into Queensland Government's consolidated revenue.

At 30 June 2019, DAF had net administered assets of \$0.8 million. DAF manages the surplus assets that were transferred back to the government prior to the sale of Forestry Plantations Queensland to the private sector.

## Outlook for 2019–20

### Operating budget

DAF's operating budget for 2019–20 is \$525 million. DAF's budget has a strong focus on industry development with a vision for a productive and profitable agriculture, fisheries and forestry sector that operates on a sustainable basis and continues to create jobs for Queenslanders. DAF promotes a sustainable and innovative agriculture, fisheries and forestry sector, develops rural businesses and adds value to communities and the economy.

Queensland Government is continuing its support for drought-affected producers as part of the multi-agency Drought Assistance Package and the Queensland Drought Program Review, with up to \$74.6 million (held centrally) available over the next 4 years.

The implementation of the *Queensland sustainable fisheries strategy 2017–2027* will continue in 2019–20 with increased funding of \$10.6 million over 2 years to ensure that fisheries resources are managed in a sustainable and responsible manner that recognises the interests of all Queenslanders.

Improving swimmer safety on Queensland's beaches is a priority, with additional funding of \$17.1 million provided over 4 years (\$4.2 million in 2019–20). This funding will be used to continue the Shark Control Program, undertake research on and trial the application of new technologies (such as drones) in swimmer risk mitigation, and roll out education and awareness programs across Queensland.

Biosecurity and fighting pests remains a top priority for 2019–20, with increased funding of \$12.1 million over 5 years provided to control and contain Panama disease tropical race 4. DAF will continue to progress the Queensland Biosecurity Capability Implementation Program, and biosecurity control and eradication programs, including those for red imported fire ants, electric ants, exotic fruit flies in the Torres Strait and four tropical weeds.

### Capital expenditure

The 2019–20 budget includes a capital expenditure program of \$19.7 million. This includes \$18.8 million in capital outlays focused on upgrading departmental facilities and replacing plant and equipment, and \$0.9 million in capital grants.

# Financial statements:

## 30 June 2019

### Statements

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Financial Statements**  
**For the year ended 30 June 2019**

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**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Financial Statements**  
**For the year ended 30 June 2019**

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**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of comprehensive income**  
**For the year ended 30 June 2019**

		2019	2019		2018
	Notes	Actual \$'000	Original Budget \$'000	Budget Variance*	Actual \$'000
<b>Income from continuing operations</b>					
Appropriation revenue	B1-1	316,077	313,808	2,269	277,997
User charges and fees	B1-2	142,124	113,682	28,442	129,758
Grants and contributions	B1-3	36,879	26,044	10,835	31,567
Royalties	B1-4	30,546	27,675	2,871	29,487
Other revenue	B1-5	1,020	403	617	2,383
<b>Total revenue</b>		<b>526,646</b>	<b>481,612</b>	<b>45,034</b>	<b>471,192</b>
Gains on disposal and re-measurement of assets	B2	1,424	95	1,329	1,446
<b>Total income from continuing operations</b>		<b>528,070</b>	<b>481,707</b>	<b>46,363</b>	<b>472,638</b>
<b>Expenses from continuing operations</b>					
Employee expenses	B3-1	214,688	226,008	(11,320)	207,682
Supplies and services	B3-2	248,490	221,691	26,799	215,951
Grants and subsidies	B3-3	29,012	10,164	18,848	21,554
Depreciation and amortisation	B3-4	19,585	21,599	(2,014)	21,572
Impairment losses		239	-	239	132
Other expenses	B3-5	16,057	2,245	13,812	2,630
<b>Total expenses from continuing operations</b>		<b>528,070</b>	<b>481,707</b>	<b>46,363</b>	<b>469,521</b>
<b>Operating result for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>3,117</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to operating result:					
Increase/(decrease) in asset revaluation surplus	C7-3	3,338	-	3,338	(11,416)
<b>Total comprehensive income</b>		<b>3,338</b>	<b>-</b>	<b>3,338</b>	<b>(8,299)</b>

\*An explanation of major variances is included at Note E1-1

The accompanying notes form part of these statements.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of comprehensive income by major departmental services**  
**For the year ended 30 June 2019**

	Agriculture		Fisheries and Forestry		Biosecurity Queensland	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Income from continuing operations <sup>(1)</sup></b>						
Appropriation revenue	171,401	147,083	41,545	36,957	94,473	83,207
User charges and fees	56,624	53,526	8,623	11,827	30,839	25,386
Grants and contributions	1,064	3,532	3,629	500	32,153	27,503
Royalties	3,516	4,168	27,030	25,319	-	-
Other revenue	761	1,315	124	390	135	676
<b>Total revenue</b>	<b>233,366</b>	<b>209,624</b>	<b>80,952</b>	<b>74,992</b>	<b>157,600</b>	<b>136,772</b>
Gains on disposal and re-measurement of assets	1,247	1,222	72	28	104	197
<b>Total income from continuing operations</b>	<b>234,614</b>	<b>210,846</b>	<b>81,024</b>	<b>75,020</b>	<b>157,704</b>	<b>136,968</b>
<b>Expenses from continuing operations <sup>(1)</sup></b>						
Employee expenses	93,530	92,146	36,772	34,643	60,776	57,933
Supplies and services	98,187	91,084	38,218	33,157	83,766	70,519
Grants and subsidies	26,515	13,818	166	3,322	2,295	4,381
Depreciation and amortisation	12,775	13,021	1,489	1,725	2,706	2,810
Impairment losses	172	50	59	56	7	26
Other expenses	3,548	632	4,238	1,069	8,188	898
<b>Total expenses from continuing operations</b>	<b>234,726</b>	<b>210,751</b>	<b>80,942</b>	<b>73,972</b>	<b>157,738</b>	<b>136,568</b>
<b>Operating result for the year</b>	<b>(112)</b>	<b>96</b>	<b>82</b>	<b>1,047</b>	<b>(34)</b>	<b>400</b>
<b>Other comprehensive income</b>						
Items that will not be reclassified to operating result:						
Increase/(decrease) in asset revaluation surplus	3,341	(12,337)	(115)	(142)	62	1,165
<b>Total comprehensive income</b>	<b>3,229</b>	<b>(12,241)</b>	<b>(33)</b>	<b>905</b>	<b>28</b>	<b>1,565</b>

<sup>(1)</sup> Corporate services income and expenses relating to DAF provided through the Business Corporate Partnership (BCP) arrangements have been allocated to respective departmental services based on employee full time equivalent numbers.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of comprehensive income by major departmental services**  
**For the year ended 30 June 2019**

	Corporate Partnership <sup>(2)</sup>		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Income from continuing operations</b> <sup>(1)</sup>				
Appropriation revenue	8,657	10,751	316,077	277,997
User charges and fees	46,039	39,020	142,124	129,758
Grants and contributions	33	32	36,879	31,567
Royalties	-	-	30,546	29,487
Other revenue	-	1	1,020	2,383
<b>Total revenue</b>	<b>54,729</b>	<b>49,803</b>	<b>526,646</b>	<b>471,192</b>
Gains on disposal and re-measurement of assets	-	1	1,424	1,446
<b>Total income from continuing operations</b>	<b>54,729</b>	<b>49,804</b>	<b>528,070</b>	<b>472,638</b>
<b>Expenses from continuing operations</b> <sup>(1)</sup>				
Employee expenses	23,610	22,960	214,688	207,682
Supplies and services	28,319	21,190	248,490	215,951
Grants and subsidies	36	34	29,012	21,554
Depreciation and amortisation	2,615	4,015	19,585	21,572
Impairment losses	-	-	239	132
Other expenses	84	31	16,057	2,630
<b>Total expenses from continuing operations</b>	<b>54,664</b>	<b>48,230</b>	<b>528,070</b>	<b>469,521</b>
<b>Operating result for the year</b>	<b>65</b>	<b>1,574</b>	<b>-</b>	<b>3,117</b>
<b>Other comprehensive income</b>				
Items that will not be reclassified to operating result:				
Increase/(decrease) in asset revaluation surplus	50	(102)	3,338	(11,416)
<b>Total comprehensive income</b>	<b>115</b>	<b>1,472</b>	<b>3,338</b>	<b>(8,299)</b>

<sup>(1)</sup> Corporate services income and expenses relating to DAF provided through the BCP arrangements have been allocated to respective departmental services based on employee full time equivalent numbers.

<sup>(2)</sup> Income and expenses attributed to other agencies through BCP activities are shown separately and not allocated across departmental services.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of financial position**  
**as at 30 June 2019**

		2019	2019		2018
		Actual	Original	Budget	Actual
	Notes	\$'000	Budget	Variance*	\$'000
			\$'000	\$'000	
<b>Current assets</b>					
Cash and cash equivalents	C1	48,506	39,305	9,201	40,798
Receivables	C2	42,689	34,670	8,019	48,746
Inventories		942	1,000	(58)	1,160
Other current assets		7,796	6,117	1,679	7,494
		99,934	81,092	18,842	98,199
Non-current assets classified as held for sale		1,010	-	1,010	-
<b>Total current assets</b>		<b>100,944</b>	<b>81,092</b>	<b>19,852</b>	<b>98,199</b>
<b>Non-current assets</b>					
Intangible assets		1,073	1,917	(844)	997
Property, plant and equipment	C3	353,462	354,819	(1,357)	351,341
Other non-current assets		11,719	11,409	310	11,757
<b>Total non-current assets</b>		<b>366,254</b>	<b>368,145</b>	<b>(1,891)</b>	<b>364,094</b>
<b>Biological assets</b>					
Biological assets		4,335	3,285	1,050	3,758
<b>Total biological assets</b>		<b>4,335</b>	<b>3,285</b>	<b>1,050</b>	<b>3,758</b>
<b>Total assets</b>		<b>471,532</b>	<b>452,522</b>	<b>19,010</b>	<b>466,050</b>
<b>Current liabilities</b>					
Payables	C4	27,136	11,400	(15,736)	16,982
Accrued employee benefits	C5	9,474	8,013	(1,461)	9,016
Unearned revenue	C6	24,470	21,420	(3,050)	27,952
Security deposits		228	-	(228)	324
<b>Total current liabilities</b>		<b>61,308</b>	<b>40,833</b>	<b>(20,475)</b>	<b>54,275</b>
<b>Non-current liabilities</b>					
Unearned revenue	C6	15,192	15,191	-	16,611
<b>Total non-current liabilities</b>		<b>15,192</b>	<b>15,191</b>	<b>-</b>	<b>16,611</b>
<b>Total liabilities</b>		<b>76,500</b>	<b>56,024</b>	<b>(20,475)</b>	<b>70,886</b>
<b>Net assets</b>		<b>395,032</b>	<b>396,498</b>	<b>(1,465)</b>	<b>395,165</b>
<b>Equity</b>					
Contributed equity		374,034	-	-	377,506
Accumulated surplus/deficit		(8,790)	-	-	(8,790)
Asset revaluation surplus	C7-3	29,787	-	-	26,449
<b>Total equity</b>		<b>395,032</b>	<b>-</b>	<b>-</b>	<b>395,165</b>

\*An explanation of major variances is included at Note E1-2

The accompanying notes form part of these statements.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of assets and liabilities by major departmental services**  
**as at 30 June 2019**

	Agriculture		Fisheries and Forestry		Biosecurity Queensland	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Current assets</b>						
Cash and cash equivalents	21,234	17,840	8,077	6,778	14,300	12,064
Receivables	10,178	11,713	5,490	5,168	22,133	28,003
Inventories	91	102	478	492	373	567
Other current assets	2,059	2,317	419	584	800	864
	33,562	31,972	14,465	13,021	37,606	41,497
Non-current assets classified as held for sale	1,010	-	-	-	-	-
<b>Total current assets</b>	<b>34,572</b>	<b>31,972</b>	<b>14,465</b>	<b>13,021</b>	<b>37,606</b>	<b>41,497</b>
<b>Non-current assets</b>						
Intangible assets	575	114	69	122	52	203
Property, plant and equipment	246,162	253,577	28,881	23,261	68,199	63,473
Other non-current assets	10,117	10,717	103	66	182	118
<b>Total non-current assets</b>	<b>256,853</b>	<b>264,409</b>	<b>29,052</b>	<b>23,450</b>	<b>68,432</b>	<b>63,794</b>
<b>Biological assets</b>						
Biological assets	4,066	3,480	-	-	269	278
<b>Total biological assets</b>	<b>4,066</b>	<b>3,480</b>	<b>-</b>	<b>-</b>	<b>269</b>	<b>278</b>
<b>Total assets<sup>(1)</sup></b>	<b>294,481</b>	<b>299,861</b>	<b>43,516</b>	<b>36,471</b>	<b>106,309</b>	<b>105,568</b>
<b>Current liabilities</b>						
Payables	7,542	4,231	2,957	2,595	12,316	6,849
Accrued employee benefits	4,121	4,046	1,543	1,459	2,789	2,516
Unearned revenue	22,247	21,991	167	703	2,055	5,258
Security Deposits	-	-	228	324	-	-
<b>Total current liabilities</b>	<b>33,910</b>	<b>30,268</b>	<b>4,897</b>	<b>5,080</b>	<b>17,161</b>	<b>14,623</b>
<b>Non-current Liabilities</b>						
Unearned revenue	15,192	16,611	-	-	-	-
<b>Total non-current liabilities</b>	<b>15,192</b>	<b>16,611</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities<sup>(1)</sup></b>	<b>49,101</b>	<b>46,879</b>	<b>4,897</b>	<b>5,080</b>	<b>17,161</b>	<b>14,623</b>

<sup>(1)</sup> Corporate services assets and liabilities relating to DAF provided through the BCP arrangements have been allocated to respective departmental services.



**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of assets and liabilities by major departmental services (continued)**  
**as at 30 June 2019**

	Corporate Partnership <sup>(2)</sup>		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Current assets</b>				
Cash and cash equivalents	4,895	4,117	48,506	40,798
Receivables	4,887	3,863	42,689	48,746
Inventories	-	-	942	1,160
Other current assets	4,519	3,729	7,796	7,494
	14,302	11,709	99,934	98,198
Non-current assets classified as held for sale	-	-	1,010	-
<b>Total current assets</b>	<b>14,302</b>	<b>11,709</b>	<b>100,944</b>	<b>98,199</b>
<b>Non-current assets</b>				
Intangible assets	378	558	1,073	997
Property, plant and equipment	10,219	11,029	353,462	351,341
Other non-current assets	1,318	855	11,719	11,757
<b>Total non-current assets</b>	<b>11,915</b>	<b>12,442</b>	<b>366,254</b>	<b>364,094</b>
<b>Biological assets</b>				
Biological assets	-	-	4,335	3,758
<b>Total biological assets</b>	<b>-</b>	<b>-</b>	<b>4,335</b>	<b>3,758</b>
<b>Total assets<sup>(1)</sup></b>	<b>26,217</b>	<b>24,151</b>	<b>471,532</b>	<b>466,050</b>
<b>Current liabilities</b>				
Payables	4,321	3,308	27,136	16,982
Accrued employee benefits	1,021	996	9,474	9,017
Unearned revenue	-	-	24,470	27,952
Security Deposits	-	-	228	324
<b>Total current liabilities</b>	<b>5,342</b>	<b>4,304</b>	<b>61,308</b>	<b>54,275</b>
<b>Non-current liabilities</b>				
Unearned revenue	-	-	15,191	16,611
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>15,191</b>	<b>16,611</b>
<b>Total liabilities<sup>(1)</sup></b>	<b>5,342</b>	<b>4,304</b>	<b>76,500</b>	<b>70,886</b>

(1) Corporate services assets and liabilities relating to DAF provided through the BCP arrangements have been allocated to respective departmental services.

(2) Assets and liabilities attributed to other agencies through BCP activities are shown below separately and not allocated across departmental services.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of changes in equity**  
**For the year ended 30 June 2019**

	Notes	Contributed Equity \$'000	Accumulated Surplus/Deficit \$'000	Asset Revaluation Surplus \$'000	TOTAL \$'000
<b>Balance as at 1 July 2017</b>		<b>383,357</b>	<b>(12,010)</b>	<b>37,866</b>	<b>409,213</b>
<b>Operating result</b>					
Operating result from continuing operations		-	3,117	-	3,117
<b>Other comprehensive income</b>					
- Increase/(decrease) in asset revaluation surplus	C7-3	-	-	(11,314)	(11,314)
- Transfers between asset revaluation reserve and accumulated surplus		-	102	(102)	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>3,219</b>	<b>(11,416)</b>	<b>(8,197)</b>
<b>Transactions with owners as owners:</b>					
- Appropriated equity injections		2,150	-	-	2,150
- Appropriated equity withdrawals		(5,851)	-	-	(5,851)
<b>Total appropriated equity adjustments</b>	C7-2	<b>(3,701)</b>	<b>-</b>	<b>-</b>	<b>(3,701)</b>
- Non appropriated equity withdrawals		(2,150)	-	-	(2,150)
<b>Net transactions with owners as owners</b>		<b>(5,851)</b>	<b>-</b>	<b>-</b>	<b>(5,851)</b>
<b>Balance at 30 June 2018</b>		<b>377,506</b>	<b>(8,790)</b>	<b>26,449</b>	<b>395,165</b>
<b>Operating result</b>					
Operating result from continuing operations		-	-	-	-
<b>Other comprehensive income</b>					
- Increase/(decrease) in asset revaluation surplus	C7-3	-	-	3,338	3,338
- Transfers between asset revaluation reserve and accumulated surplus		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>3,338</b>	<b>3,338</b>
<b>Transactions with owners as owners:</b>					
- Appropriated equity injections		-	-	-	-
- Appropriated equity withdrawals	C7-2	(3,503)	-	-	(3,503)
- Non appropriated equity adjustment		31	-	-	31
<b>Net transactions with owners as owners</b>		<b>(3,472)</b>	<b>-</b>	<b>-</b>	<b>(3,472)</b>
<b>Balance at 30 June 2019</b>		<b>374,034</b>	<b>(8,790)</b>	<b>29,787</b>	<b>395,032</b>

The accompanying notes form part of these statements.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Statement of cash flows**  
**For the year ended 30 June 2019**

	2019	2019	Budget	2018
	Actual	Original	Variance*	Actual
Notes	\$'000	Budget	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>				
Inflows:				
Service appropriation receipts	316,198	313,808	2,390	273,625
User charges and fees	135,093	111,482	23,611	130,028
Grants and other contributions	44,699	26,044	18,655	16,323
Royalties	30,546	27,675	2,871	29,487
GST input tax credits received from ATO	12,433	13,181	(748)	9,119
GST collected from customers	14,368	-	14,368	13,023
Other inflows	1,218	1,003	215	2,716
Outflows:				
Employee expenses	(214,373)	(226,008)	11,635	(207,365)
Supplies and services	(248,101)	(222,304)	(25,797)	(211,931)
Grants and subsidies	(29,012)	(10,164)	(18,848)	(21,554)
GST paid to suppliers	(26,868)	(13,131)	(13,737)	(23,037)
GST remitted to ATO	-	-	-	(93)
Other outflows	(5,639)	(2,845)	(2,794)	(2,526)
<b>Net cash provided by operating activities</b>	<b>30,560</b>	<b>18,741</b>	<b>11,819</b>	<b>7,815</b>
<b>Cash flows from investing activities</b>				
Inflows:				
Sales of property, plant and equipment	346	525	(179)	1,953
Sales of biological assets	(392)	-	(392)	1,227
Outflows:				
Payments for property, plant and equipment	(19,855)	(20,377)	522	(16,656)
Payments for intangibles	(497)	-	(497)	(123)
Payments for biological assets	1,049	-	1,049	(472)
<b>Net cash used in investing activities</b>	<b>(19,350)</b>	<b>(19,852)</b>	<b>502</b>	<b>(14,071)</b>
<b>Cash flows from financing activities</b>				
Inflows:				
Equity Injection	-	1,000	(1,000)	2,150
Outflows:				
Equity withdrawal	(3,503)	(3,503)	-	(8,001)
<b>Net cash provided by financing activities</b>	<b>(3,503)</b>	<b>(2,503)</b>	<b>(1,000)</b>	<b>(5,851)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,708</b>	<b>(3,614)</b>	<b>11,322</b>	<b>(12,106)</b>
<b>Cash and cash equivalents - opening balance</b>	<b>40,798</b>	<b>42,919</b>	<b>(2,121)</b>	<b>52,904</b>
<b>Cash and cash equivalents - closing balance</b>	<b>48,506</b>	<b>39,305</b>	<b>9,201</b>	<b>40,798</b>
	C1			

\*An explanation of major variances is included at Note E1-3

The accompanying notes form part of these statements.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the statement of cash flows**  
**For the year ended 30 June 2019**

**Reconciliation of operating result to net cash provided by operating activities**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Operating surplus/(deficit)	-	3,117
<b>Non-cash items included in operating result:</b>		
Depreciation and amortisation expense	19,585	21,572
Gains on sale or disposal of property, plant and equipment	(190)	(328)
Loss on sale or disposal of property, plant and equipment	774	236
Net increment in valuation of biological assets	(1,234)	(1,118)
Assets received below fair value <sup>(1)</sup>	-	(2,446)
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in appropriation services revenue receivable	182	434
(Increase)/decrease in receivables	6,060	(8,935)
(Increase)/decrease in GST input tax credits receivable	66	(1,126)
(Increase)/decrease in long service leave reimbursements	57	(256)
(Increase)/decrease in annual leave reimbursements	(191)	(183)
(Increase)/decrease in other assets	(265)	(705)
(Increase)/decrease in other receivables	18	38
(Increase)/decrease in inventories	218	(180)
Increase/(decrease) in payables	10,154	(962)
Increase/(decrease) in accrued employee benefits	458	754
Increase/(decrease) in unearned revenue	(4,902)	(2,095)
Increase/(decrease) in GST payable	(133)	138
Increase/(decrease) in security deposits	(95)	(138)
<b>Net cash provided by operating activities</b>	<b>30,560</b>	<b>7,815</b>

<sup>(1)</sup> This includes \$2.4 million of leasehold improvements for 41 George Street transferred from the Department of Housing and Public Works in 2017-18.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

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**SECTION 1**  
**About the department and this financial report**

**A1 Basis of financial statement preparation**

**A1-1 General information**

The Department of Agriculture and Fisheries (DAF) is a Queensland Government department established under the *Public Service Act 2008* and controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the department is Level 35, 1 William Street, BRISBANE QLD 4000.

**A1-2 Compliance with prescribed requirements**

DAF has prepared these financial statements in compliance with section 42 of the *Financial Performance Management Standard 2009*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2018.

DAF is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards applied for the first time in these financial statements are outlined in Note G3.

**A1-3 Presentation**

**Currency and rounding**

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

**Comparatives**

Comparative information reflects the audited 2017-18 financial statements. The department has re-aligned prior period balances to reflect mapping changes across and within account categories, where applicable.

**Current/non-current classification**

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

**A1-4 Authorisation of financial statements for issue**

The financial statements are authorised for issue by the Director-General and Chief Finance Officer at the date of signing the Management Certificate.

**A1-5 Basis of measurement**

Historical cost is used as the measurement basis in this financial report except for the following:

- Land, buildings and infrastructure which are measured at fair value
- Inventories which are measured at the lower of cost and net realisable value.

**Historical cost**

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

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**A1 Basis of financial statement preparation (continued)**

**A1-5 Basis of measurement (continued)**

**Fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities, such as business
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current/depreciated replacement cost methodology
- The *income approach* converts multiple future cash flows amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Where fair value is used, the fair value approach is disclosed.

**Present value**

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

**Net realisable value**

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

**A1-6 The reporting entity**

The financial statements include all income, expenses, assets, liabilities and equity of the department.

**A2 Departmental objectives**

DAF works to achieve the vision of a productive and profitable agriculture, fisheries and forestry sector. The department promotes a sustainable and innovative sector, helping to realise its value to the economy and the community.

Agriculture is a high risk business, affected by rainfall, price variability and susceptibility to pest and disease threats. Biosecurity leadership and delivery of drought assistance, and extension services are crucial to improve risk preparedness and resilience. These services contribute to the Government's objectives to deliver quality frontline services and to build safe, caring and connected communities. The department's management of fisheries and forestry resources and programs for best practice land management strives to balance commercial interests with the ongoing economic, environmental and social value of the community's resources. The department's efforts and those of the sector contribute to the Government's objective to protect the environment and address water quality issues in the Great Barrier Reef catchments.

Our strategic objectives reflect this context and focus on:

- creating the conditions for successful agribusinesses and supply chains which encourage innovation and productivity
- assisting people in agri and rural businesses to respond to challenges and protect environmental values
- ensuring the sustainable management of natural resources to underpin productivity and protect the environment.

**Key investment areas for 2018-19 included:**

- Growing Queensland's Food Exports program to support a fruit and vegetable producers
- Invest and investigate new opportunities to advance economic activity and employment in Queensland
- Investment to maximise the impact of white spot disease on aquaculture and commercial fishing, Panama disease tropical race 4 in bananas, and Red Witch Weed on the sugar industry and stakeholders, leading to more responsive decision making
- Deliver a more responsive and consultative approach to fisheries management as outlined in the Sustainable Fisheries Strategy
- Deliver a comprehensive Great Barrier Reef Water Quality Program to support the continuation of programs to assist in working towards the achievement of water quality targets, including Best Practice Management programs, provision of economic support and decision making tools for agricultural producers, the Paddock to Reef program and the Natural Resources Management Program for Reef Water Quality
- Progress the Commercialisation Technology Fund and the Agricultural and Food Research, Development and Extension Ten Year Roadmap and Action Plan, which highlight the ongoing commitment to international leadership in tropical and sub-tropical agricultural research and development through innovation, world-class facilities, partnerships and collaboration.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

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**A2 Departmental objectives (continued)**

**Major departmental services of the department**

DAF has three main service areas. They are Agriculture, Biosecurity Queensland and Fisheries and Forestry.

***Agriculture***

This service area:

- undertakes industry analysis to ensure the policy and regulatory frameworks underpin the long term productivity growth, export potential and sustainability of Queensland's food and fibre sector
- works with producers, industry and all levels of government to capitalise on rural opportunities, improve supply chains and create long term jobs for the benefit of Queensland's food and fibre sector
- works with rural communities to identify regional economic priorities, improve the competitiveness of rural business and increase the number of jobs in rural communities
- undertakes research, development and extension and delivers services to assist producers to advance Queensland agriculture and bring the best quality food and fibre products to market
- provides industry and university scientists with access to the department's world-class research facilities
- leads initiatives aimed at improving the delivery of services to customers.

***Biosecurity Queensland***

Biosecurity Queensland works closely with national and local governments, industry bodies, producers and the community to maintain a strong biosecurity system. Biosecurity Queensland's main areas of focus are:

- animal pests and diseases
- plant pests and diseases
- invasive plants and animals, such as weeds and pest animals
- biosecurity diagnostics and other laboratory services
- animal welfare and ethics, including exhibited animals
- agvet chemical use and contaminant risk
- biosecurity incident responses, such as exotic tramp ants white spot disease in prawns, and Panama disease tropical race 4 in bananas.

***Fisheries and Forestry***

Fisheries and Forestry ensures sustainable and productive fisheries and the responsible allocation and use of State-owned forests and related resources. It does this by:

- managing access to, and the sustainable use of Queensland fisheries resources
- providing education and enforcing fishing regulations to promote equitable access to fisheries resources by commercial, recreational and traditional fishers
- responsibly managing the allocation and use of State-owned forests and related resources
- supporting the growth and development of the Queensland forest and timber industry
- overseeing the Plantation Licence issued to HQPlantations Pty Ltd and related agreements.

**Business Corporate Partnership (BCP) - corporate services**

In addition to the corporate services provided to DAF, the department also participates in the BCP arrangement whereby some agencies host a number of strategic and operational corporate services provided to a number of other recipient departments. This arrangement was developed with a focus on ensuring economies of scale, service integration, scalability and responsiveness.

The host agency of each corporate service function receives the appropriation of funds and reports Full Time Equivalent positions in the respective agency. The model is multi-layered for different corporate services functions.

As the host agency, DAF provided defined services to the following agencies:

- Department of Natural Resources, Mines and Energy (DNRME): Information Management, Fleet Management, Telecommunications,
- Department of Environment and Science (DES): Information Management, Fleet Management, Telecommunications
- Department of Innovation, Tourism Industry Development and Commonwealth Games (DITID): Finance; Information Management, Fleet Management, Telecommunications.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

<b>B1. Revenue</b>	<b>2019</b>	<b>2018</b>
<b>B1-1. Appropriation revenue</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in operating result</b>		
Budgeted appropriation revenue	313,808	287,832
Lapsed appropriation revenue	-	(14,207)
Unforeseen expenditure	2,390	-
<b>Total appropriation receipts (cash)</b>	<b>316,198</b>	<b>273,625</b>
Less: opening balance of appropriation revenue receivable	(182)	(616)
Plus: closing balance of appropriation revenue receivable	-	182
Plus: opening balance of deferred appropriation payable to Consolidated Fund	61	4,806
Less: closing balance of deferred appropriation payable to Consolidated Fund	(9,747)	(61)
<b>Net appropriation revenue</b>	<b>306,330</b>	<b>277,936</b>
Plus: deferred appropriation payable to Consolidated Fund (expense)	9,747	61
<b>Appropriation revenue recognised in statement of comprehensive income</b>	<b>316,077</b>	<b>277,997</b>

**Accounting Policy - Appropriation revenue**

Appropriations provided under the *Appropriation Act 2018* are recognised as revenue when received or when appropriation revenue receivable is recognised after approval from Queensland Treasury.

**B1-2. User charges and fees**

Fee for service <sup>(1)</sup>	121,730	110,603
Sale of goods	4,510	4,390
Fees and fines	8,417	7,698
Property rental	7,467	7,066
<b>Total</b>	<b>142,124</b>	<b>129,758</b>

<sup>(1)</sup> Relates to funding for National Red Imported Fire Ants Eradication Program (NRIFAEP) and National Cost Sharing (NCS) arrangements from other states and territories for Four Tropical Weeds, National Electric Ants eradication programs and pests and disease emergency responses.

**Accounting Policy - User charges and fees**

User charges and fees controlled by the department are recognised when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue. User charges and fees are controlled by the department where they can be deployed for the achievement of departmental objectives. User charges and fees collected, but not controlled, by the department are reported as administered revenue. Refer Note F1-1.



**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	2019 \$'000	2018 \$'000
<b>B1-3. Grants and contributions</b>		
Commonwealth grants <sup>(1)</sup>	25,862	20,482
Local government contributions	6,126	6,002
Queensland State contributions <sup>(2)</sup>	3,711	414
Other State contributions	740	1,761
Industry contributions	119	149
Goods and services received below fair value <sup>(3)</sup>	321	2,759
<b>Total</b>	<b>36,879</b>	<b>31,567</b>

<sup>(1)</sup> Relates to funding for NRIFAEP and National Cost Sharing (NCS) arrangements from the Australian Government for Four tropical weeds, Electric ants and pests and disease emergency responses.

<sup>(2)</sup> Increase largely due to \$3.5 million funding received from DES for Yurol/Ringtail protected area.

<sup>(3)</sup> The amount for 2017-18 included fitout for \$2.4 million received from DHPW for 41 George Street.

**Accounting Policy - Grants and other contributions**

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the department obtains control over them (control is generally obtained at the time of receipt). Where grants are received that are reciprocal in nature, revenue is progressively recognised as it is earned, according to the terms of the funding arrangements.

Contributed physical assets are recognised at their fair value.

**Accounting Policy - Services received below fair value**

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

**Disclosure - Services received below fair value**

DAF received defined services from the following agencies:

- DNRME : Accommodation Services; Legal Services
- DES : Privacy and Ethics; Internal Audit; Procurement; Right to Information

The revenue and expense related to these contributions of services have not been recognised in the financial statements as these values cannot be measured reliably.

**B1-4. Royalties**

Royalties - Timber	16,952	14,725
Royalties - Quarry Materials	9,978	10,404
Royalties - Other	3,617	4,358
<b>Total</b>	<b>30,546</b>	<b>29,487</b>

**Accounting Policy - Royalties**

The department under the provisions of the *Forestry Act 1959* has issued sales permits regarding the supply of forest products (including native forest log timber and quarry material) from lands relevant to the *Forestry Act 1959*. The department recognises the revenue for forest products based on the returns provided by the permit holders.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>B1-5. Other revenue</b>		
Sale of portable and attractive items	3	11
Bad debts recovered	5	8
Insurance recoveries	386	479
Impairment loss reversal - receivables	177	40
Sundry revenue <sup>(1)</sup>	449	1,846
<b>Total</b>	<b>1,020</b>	<b>2,383</b>

<sup>(1)</sup> The amount for 2017-18 includes \$1.6 million in recoveries from DHPW for expenses incurred for the relocation of the Department's Information Technology data centre from the former Lands Centre at Woolloongabba as part of the Cross River Rail project.

**B2. Gains on disposal and re-measurement of assets**

Net gains on disposal of property, plant and equipment	190	328
Net increment in valuation of biological assets	1,234	1,118
<b>Total</b>	<b>1,424</b>	<b>1,446</b>

**Accounting Policy - Biological assets**

Under AASB 141 *Agriculture* such assets are defined as living animals and plants. They are distinguished from other assets by the fact that they have the natural capacity to grow and/or procreate. These include livestock, which are accounted for in the department's accounts. The department measures biological assets at the end of each reporting period at fair value.

**Key Judgement**

Under the provision of the *Forestry Act 1959*, the department is required to oversee the harvesting of log timber from Department of Environment and Science native forests, which are not controlled by the department. Under the guidelines of AASB 141 *Agriculture* the department considers that it does not meet the criteria of managing an agricultural activity, which would have required the valuation of available log timber as biological assets. Consequently, the value of native forest products has not been recognised in the statement of financial position. This assessment will be reviewed should circumstances change.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**B3. Expenses**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>B3-1. Employee expenses</b>		
<u>Employee Benefits</u>		
Wages and salaries	166,257	160,934
Termination benefits	601	254
Employer superannuation contributions	22,531	21,593
Annual leave levy	17,704	17,095
Long service leave levy	3,369	3,268
Other employee benefits	2,208	2,195
<u>Employee Related Expenses</u>		
Workers compensation premium	956	1,122
Other employee related expenses	1,062	1,221
<b>Total <sup>(1)</sup></b>	<b>214,688</b>	<b>207,682</b>

<sup>(1)</sup>The table below sets out the number of employees as at 30 June 2019, including both full-time and part-time employees, measured on a full-time basis as provided to the Public Service Commission (PSC) and utilised in the preparation of the Minimum Obligatory Human Resource Information (MOHRI). The BCP employee expenses aligned to DAF are also included in the above total with the number of employees shown below:

	<b>2019</b>	<b>2018</b>
Number of employees:		
Department of Agriculture and Fisheries	1,833	1,831
BCP (providing services to other departments)	218	216
<b>Total number of employees</b>	<b>2,051</b>	<b>2,047</b>

**Accounting Policy - Employee expenses**

Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

**Wages, salaries and sick leave**

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates. As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

**Long service leave and annual leave**

Under the Queensland Government's Long Service Leave Scheme (LSL) and Annual Leave Central Scheme (ALCS), levies are payable by the department to cover the cost of employees' long service leave and annual leave (including leave loading and on-costs). Hence, no provision for long service leave and annual leave will be recognised in the department's financial statements. Instead, the provision for these schemes are reported on a whole of government basis pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

These levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave and annual leave are claimed from the scheme quarterly in arrears.

**Superannuation**

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

**Defined contribution plans** - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

**Defined benefit plan** - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting. The amounts of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the department at the specific rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>B3-2. Supplies and services</b>		
Contractors <sup>(1)</sup>	68,974	56,186
Collaborative research arrangements	18,100	12,638
Consultancy fees	1,166	1,147
Operating lease rentals	30,554	29,251
Building services	7,149	7,276
Repairs and maintenance	12,149	10,293
Transport	9,864	7,483
Travel	6,380	5,852
Computer/information technology	17,223	16,406
Telecommunications and electricity	6,726	6,727
Shared services provider fee	5,801	5,635
Materials	19,997	14,791
Portable and attractive items	3,472	3,326
Service delivery costs and service level agreement charges	8,938	8,682
Outsourced service delivery	22,985	23,172
Other	9,013	7,085
<b>Total</b>	<b>248,490</b>	<b>215,951</b>

<sup>(1)</sup> Increase in contractors expense is largely due to delivery of Information Technology services as DAF is host agency to the BCP arrangement.

**Accounting Policy - Distinction between grants and procurement**

For a transaction to be classified as supplies and services, the value of goods and services received by the department must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant in Note B3-3.

**Accounting Policy - Operating leases**

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred. Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expenses and reduction of the liability.

**Disclosure - Operating leases**

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Lease terms extend over a period of 1 year to 20 years. The department has no option to purchase the leased item at the conclusion of the lease although the lease provides for a right of renewal at which time the lease terms are renegotiated.

Operating lease rental expenses comprises the minimum lease payments payable under operating lease contracts. Lease payments are generally fixed, but with annual inflation escalation clauses upon which future year rentals are determined.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>B3-3. Grants and subsidies</b>		
Queensland and local government	6,824	6,590
Industry	2,339	1,518
Subsidies <sup>(1)</sup>	18,648	9,802
Commonwealth	88	88
Capital	800	3,257
Goods and services provided below fair value	313	298
<b>Total</b>	<b><u>29,012</u></b>	<b><u>21,554</u></b>

<sup>(1)</sup> This relates to the continuation of the Drought Assistance package and On-Farm Emergency Water Infrastructure rebate scheme, and grant payments to Queensland Strawberry Growers Association (QSGA) and GrowCom under the Strawberry Industry Recovery Package.

**Accounting Policy - Grants and subsidies**

A non-reciprocal grant is a payment or contribution made to an organisation or person which is not to be repaid or reciprocated, but which must be spent by the recipient for a specific purpose. Accordingly, non reciprocated grant payments are expensed when payment is made. Where the grant payment is reciprocal in nature, an asset (prepayment) is recognised when payment is made. This prepayment is expensed as the grant recipient satisfies the performance obligation under the funding agreement.

A subsidy payment is a payment or contribution made to an organisation or person which is not repaid or reciprocated. Gifts and donations are disclosed in Note B3-5.

**B3-4. Depreciation and amortisation**

Depreciation and amortisation were incurred in respect of:

Buildings	5,154	5,149
Infrastructure	439	414
Plant and equipment	13,571	15,217
Software purchased	256	486
Software internally generated	165	305
<b>Total <sup>(1)</sup></b>	<b><u>19,585</u></b>	<b><u>21,572</u></b>

<sup>(1)</sup> Refer to Note C3-5 for the accounting policy.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>B3-5. Other expenses</b>		
Deferred appropriation payable to Consolidated Fund- State funded	5,995	61
Deferred appropriation payable to Consolidated Fund-Commonwealth funded	3,752	-
External audit fees - QAO <sup>(1)</sup>	228	197
Other audit services performed	33	3
Insurance premiums - QGIF <sup>(2)</sup>	698	727
Insurance premiums - Other	151	170
Loss on disposal of property, plant and equipment	774	236
Losses - Public property	1	-
Sponsorships	40	323
Donations and gifts	30	4
License fees and permits	202	235
Patent, copyright & trademark acquisition	454	416
Special payments		
Ex-gratia payments <sup>(3)</sup>	134	103
Compensation payments <sup>(4)</sup>	3,500	11
Other	64	144
<b>Total</b>	<b>16,057</b>	<b>2,630</b>

<sup>(1)</sup> Total audit fees payable to the Queensland Audit Office relating to the 2018-19 financial year are based upon their estimated fee of \$235,000 (2018: \$235,750). There are no non-audit services included in this amount.

<sup>(2)</sup> The department's non-current physical assets and other risks are insured through the QGIF, premiums being paid on a risk assessment basis.

<sup>(3)</sup> Ex-gratia payments include mainly reimbursements to owners for the Red Witch Weed eradication program.

<sup>(4)</sup> Compensation payments made to HQPlantations for the staged voluntary surrender of their plantation licence over Yurol and Ringtail State Forests for harvesting of their timber over a five-year period.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>C1. Cash and cash equivalents</b>		
Cash at bank	48,485	40,770
Imprest accounts	21	29
<b>Total</b>	<b>48,506</b>	<b>40,798</b>

**Accounting Policy - Cash and cash equivalents**

For the purposes of the Statement of financial position and the Statement of cash flows, cash assets include all cash and cheques received but not banked at 30 June.

Departmental bank accounts grouped within the whole-of-Government set-off arrangement with the Queensland Treasury Corporation and do not earn interest on surplus funds. Interest earned on the aggregate set-off arrangement balance accrues to the Consolidated Fund.

**C2. Receivables**

**Current**

Trade debtors	35,733	41,970
Less: allowance for impairment loss	(16)	(193)
	<u>35,717</u>	<u>41,777</u>
GST input tax credits receivable	2,511	2,577
GST payable	(5)	(138)
	<u>2,506</u>	<u>2,439</u>
Appropriation revenue receivable	-	182
Annual leave reimbursements	3,371	3,180
Long service leave reimbursements	1,063	1,119
Other	32	49
	<u>4,465</u>	<u>4,530</u>
<b>Total</b>	<b>42,689</b>	<b>48,746</b>

**Accounting Policy - Receivables**

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price.

Settlement of these amounts is generally required within 30 days from the invoice date.

The collectability of receivables is assessed periodically with allowance being made for impairment. All known bad debts are written-off as at 30 June.

**Accounting Policy - Impairment of receivables**

The loss allowance for trade and other debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Economic changes impacting the department's debtors, and relevant industry data form part of the department's impairment assessment.

The department's other receivables are from Queensland Government agencies and Australian Government agencies. No loss allowance is recorded for these receivables on the basis of materiality. Refer to Note D2-2 for the department's credit risk management policies.

Where the department has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. This occurs when the debt is over 365 days past due and the department has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

The amount of impairment losses recognised for receivables is disclosed in Note C2-1.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**C2. Receivables (continued)**

**C2-1. Impairment of receivables (continued)**

**Disclosure - credit risk exposure of receivables**

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets.

Collateral is held as security for Forestry receivables however no credit enhancements relate to financial assets held by the department.

The department uses a provision matrix to measure the expected credit losses on trade debtors. Loss rates are calculated for customers with similar loss patterns. The department has determined that the revenue stream of sale of services will be used for measuring expected credit losses.

The calculations reflect historical observed default rates calculated using credit losses experienced on past sales transactions during the last 5 years preceding 30 June 2019. The historical default rates are then adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables. For DAF a change in the unemployment rate is determined to be the most relevant forward-looking indicator for receivables. Actual credit losses over the 5 years preceding 30 June 2019 have been correlated against changes in the unemployment rate and based on those results, the historical default rates are adjusted based on expected changes to that indicator.

Set out below is the credit risk exposure on the department's trade debtors broken down by aging band. The comparative disclosure for 2018 is made under AASB 139 Impairment rules, where receivables are assessed individually for impairment.

**Impairment - Trade debtors**

	2019			2018		
	Gross receivables \$'000	Loss rate %	Expected credit losses \$'000	Gross receivables \$'000	Impairment allowance \$'000	Carrying amount \$'000
<b>Aging</b>						
Current	4,061	0.23	9	31,366	-	31,366
1 to 30 days overdue	108	0.42	1	2,222	-	2,222
31 to 60 days overdue	573	1.25	7	266	-	266
61 to 90 days overdue	43	2.33	1	96	-	96
> than 90 days overdue	564	3.40	19	1,695	193	1,502
<b>Total</b>	<b>5,349</b>		<b>37</b>	<b>35,645</b>	<b>193</b>	<b>35,452</b>

**Disclosure – Movement in allowance for trade debtors**

	2019 \$'000	2018 \$'000
Loss allowance as at 1 July	193	210
Increase/decrease in allowance recognised in operating result	(15)	5
Amounts written-off during the year	(162)	(22)
<b>Loss allowance as at 30 June</b>	<b>16</b>	<b>193</b>



**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**C3. Property, plant and equipment**

**C3-1. Closing balances and reconciliation of carrying amount**

	Land	Buildings	Infrastructure	Plant and equipment	Capital work in progress	Total
	2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000
Gross	109,721	259,066	42,163	217,872	10,000	<b>638,822</b>
Less: accumulated depreciation	-	(145,478)	(20,321)	(119,369)	-	<b>(285,168)</b>
Less: accumulated impairment losses	-	-	-	(192)	-	<b>(192)</b>
<b>Carrying amount at 30 June 2019</b>	<b>109,721</b>	<b>113,588</b>	<b>21,842</b>	<b>98,311</b>	<b>10,000</b>	<b>353,462</b>

*Represented by movements in carrying amount:*

Carrying amount at 1 July 2018	107,736	117,083	21,074	100,714	4,734	<b>351,341</b>
Acquisitions (including upgrades)	-	-	-	5,172	14,683	<b>19,855</b>
Transfer in from other Qld Government entities	9	19	-	3	-	<b>31</b>
Disposals	(79)	(534)	-	(317)	-	<b>(930)</b>
Assets reclassified as held for sale	(1,010)	-	-	-	-	<b>(1,010)</b>
Transfers between asset classes	-	1,901	1,207	6,309	(9,417)	-
Net Revaluation increments/(decrements) in asset revaluation surplus	3,065	273	-	-	-	<b>3,338</b>
Depreciation expense	-	(5,154)	(439)	(13,571)	-	<b>(19,164)</b>
<b>Carrying amount at 30 June 2019</b>	<b>109,721</b>	<b>113,588</b>	<b>21,842</b>	<b>98,311</b>	<b>10,000</b>	<b>353,462</b>

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**C3. Property, plant and equipment (continued)**

**C3-1. Closing balances and reconciliation of carrying amount (continued)**

	Land	Buildings	Infrastructure	Plant and equipment	Capital works in progress	Total
	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000
Gross	107,736	256,490	40,956	214,889	4,734	624,805
Less: accumulated depreciation	-	(139,407)	(19,882)	(113,938)	-	(273,227)
Less: accumulated impairment losses	-	-	-	(236)	-	(236)
<b>Carrying amount as at 30 June 2018</b>	<b>107,736</b>	<b>117,083</b>	<b>21,074</b>	<b>100,714</b>	<b>4,734</b>	<b>351,341</b>

*Represented by movements in carrying amount:*

Carrying amount at 1 July 2017	120,348	120,557	20,364	103,169	1,756	<b>366,195</b>
Acquisitions (including upgrades)	-	15	-	8,012	11,014	<b>19,041</b>
Transfer in from other Qld Government entities	61	-	-	-	-	<b>61</b>
Disposals	(1,392)	(285)	-	(184)	-	<b>(1,860)</b>
Transfers between asset classes	-	1,979	1,124	4,934	(8,036)	-
Net Revaluation increments/(decrements) in asset revaluation surplus <sup>(1)</sup>	(11,280)	(34)	-	-	-	<b>(11,314)</b>
Depreciation expense	-	(5,149)	(414)	(15,217)	-	<b>(20,780)</b>
<b>Carrying amount as at 30 June 2018</b>	<b>107,736</b>	<b>117,083</b>	<b>21,074</b>	<b>100,714</b>	<b>4,734</b>	<b>351,341</b>

<sup>(1)</sup> The decrement is mainly due to the revaluation of the Redlands Poultry Station prior to sale of \$11.7 million. The sale value was determined by arriving at a suitable discount rate for the restrictions on reserve land. There was also an increment of \$1.1 million indexation as at 31 March 2018.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**C3. Property, plant and equipment (continued)**

**C3-2. Recognition and acquisition**

**Accounting policy - Recognition**

*Basis of capitalisation and recognition thresholds*

Items of property, plant and equipment, with a historical cost or other value equal to or exceeding the following thresholds in the year of acquisition are reported as property, plant and equipment in the following classes:

Buildings	\$10,000
Infrastructure	\$10,000
Land	\$1
Plant and equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition.

Land improvements undertaken by the department are included with buildings or infrastructure based on the proximity of the asset to which they relate.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the department. Subsequent expenditures only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Assets under construction (Capital Works in Progress) is recognised at cost. All costs relating to items of property, plant and equipment constructed in-house are recorded as work in progress until completion of the project using all direct and indirect costs, where the latter are reliably attributable. Work in progress performed under external contracts is recorded using the invoice amount supplied by the contractor.

Restricted assets are recognised as property, plant and equipment. These are assets, the uses of which are wholly or partly restricted by legislation or other externally imposed requirements. The total value of restricted assets for 30 June 2019 is \$0.6 million (2018: \$0.7 million) including Buildings valued at \$0.1 million (2018: \$0.1 million) and plant and equipment at \$0.6 million (2018: \$0.6 million)

*Componentisation of complex assets*

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant.

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) are capitalised when it is probable that future economic benefits from the significant components will flow to the department in conjunction with other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets, and estimated useful lives of components, are disclosed in Note C3-5.

*Accounting policy - cost of acquisition*

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition (such as architects' fees and engineering design fees), plus all other costs incurred in getting the assets ready for use.

Where assets are received free of charge from another Queensland department entity (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the other entity immediately prior to the transfer.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at the date of acquisition.

Where an asset is acquired by means of a finance lease, the asset is recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**

**Notes to the financial statements**

**For the year ended 30 June 2019**

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**C3. Property, plant and equipment (continued)**

**C3-3. Measurement using historical cost**

**Accounting Policy**

Plant and equipment, (that is not classified as major plant and equipment) is measured at cost in accordance with the NCAP. The carrying amounts for such plant and equipment at cost is not materially different from their fair value. The department does not classify any plant and equipment as major plant and equipment.

**C3-4. Measurement using fair value**

**Accounting Policy**

Land, buildings and infrastructure assets are measured at fair value as required by Queensland Treasury's Non-Current Asset Policies (NCAP) for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

The cost of items acquired during the financial year has been judged by management of DAF to materially represent their fair value at the end of the reporting period.

Property, plant and equipment classes measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent valuer or by the use of appropriate and relevant indices. For financial reporting purposes, the revaluation process is managed by the department's Financial Accounting and Policy section, who determine the specific revaluation practices and procedures. The outcomes are reported to the Chief Finance Officer and the Audit and Risk Committee after each annual review.

Use of specific appraisals

Revaluations using independent professional valuer appraisals are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs (as defined in Note D1-1). Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

Use of indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date via the application of relevant indices. DAF ensures that the application of such indices results in valid estimation of the assets' fair values at reporting date. The State Valuation Service (SVS) supplies the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to SVS. SVS provides assurance of their robustness, validity and appropriateness for application to the relevant assets.

Indices used are tested for reasonableness by applying the indices to a sample of assets, comparing the results to similar assets that have been valued by an independent professional valuer, and analysing the trend of changes in values over time. Through this process which is undertaken annually, management assesses and confirms the relevance and suitability of indices provided by SVS based on the departments' own particular circumstances.

Accounting for changes on fair value

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

For assets revalued using a cost valuation approach (e.g. current replacement cost) - accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'.

For assets revalued using a market or income-based valuation approach - accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**C3-5. Accounting Policy Depreciation expense**

**Accounting Policy - Depreciation expense**

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the department.

Land is not depreciated as it has an unlimited useful life. Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the department.

Separately identifiable components of complex assets are depreciated according to the useful lives of each component, as doing so results in a material impact on the depreciation expense reported.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the department.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is probable.

Plant and equipment subject to a finance lease is amortised on a straight line basis over the term of the lease, or where it is likely that the department will obtain ownership of the asset, the expected useful life of the asset to the department.

**Depreciation rates**

For each class of depreciable asset, the following depreciation and amortisation rates are used:

<b>Asset class</b>	<b>Category</b>	<b>Life (years)</b>
Buildings	Buildings - Fabric	20-80
	Buildings - Fixtures and fittings	20-40
	Buildings - Plant and services	20-50
	Access roads	25-80
	Land improvements	20-60
Infrastructure	Wild dog barrier fence	50
Plant and equipment	Computer equipment	3-8
	Motor vehicles	5-20
	Boats and boating equipment	4-20
	Heavy plant	5-20
	Scientific equipment	8-20
	Office equipment	5-20
	Leasehold improvements	10
Other plant and equipment	8	

**DEPARTMENT OF AGRICULTURE AND FISHERIES**

**Notes to the financial statements**

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**C3. Property, plant and equipment (continued)**

**C3-6. Impairment**

**Accounting Policy**

Indicators of impairment and determining recoverable amount

All property, plant and equipment including work in progress assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the department determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use subject to the following:

- As a not-for-profit entity, certain property, plant and equipment of the department is held for the continuing use of its service capacity and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets are measured at fair value under AASB13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. As a consequence, AASB 136 does not apply to such assets unless they are measured at cost.
- For other non-specialised property, plant and equipment measured at fair value, where indicators of impairment exist, the only difference between the asset's fair value and its fair value less costs of disposal is the incremental costs attributable to the disposal of the asset. Consequently, the fair value of the asset determined under AASB 13 will materially approximate its recoverable amount where the disposal costs attributable to the asset are negligible. After the revaluation requirements of AASB 13 are first applied to these assets, applicable disposal costs are assessed and, in the circumstances where such costs are not negligible, further adjustments to the recoverable amount are made in accordance with AASB 136.

For all other remaining assets measured at cost, and assets within the entity held for the generation of cash flow recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

Value in use is equal to the present value of the future cash flows expected to be derived from the asset, or where the department no longer uses an asset and has made a formal decision to not use or replace the asset, the value in use is the present value of net disposal proceeds.

Recognising impairment losses

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the asset revaluation surplus of the relevant class to the extent available. Where no asset revaluation surplus is available in respect of the class of asset, the loss is expensed in the statement of comprehensive income as a revaluation decrement.

For assets measurement at cost, an impairment loss is recognised immediately in the statement of comprehensive income.

Reversal of impairment losses

Where an impairment loss is subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount must not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

For assets measured at fair value, to the extent the original decrease was expensed through the statement of comprehensive income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the class of asset through the asset revaluation surplus.

For assets measured at cost, impairment losses are reversed through income.

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	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>C4. Payables</b>		
<b>Current</b>		
Trade creditors	9,509	9,809
Deferred appropriation refundable to Consolidated Fund	9,747	61
Taxes, fees and fines payable	62	66
Accrued expenses	7,795	6,930
Royalties payable	24	116
<b>Total</b>	<b>27,136</b>	<b>16,982</b>

**Accounting Policy - Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/ contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 7, 14, or 30 day terms.

**C5. Accrued employee benefits**

<b>Current</b>		
Salaries and wages outstanding	3,805	3,578
Annual leave levy payable	4,708	4,508
Long service leave levy payable	961	931
<b>Total</b>	<b>9,474</b>	<b>9,016</b>

**Accounting Policy - Accrued employee benefits**

No provision for annual leave or long service leave is recognised in the department's financial statements as the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

**C6. Unearned revenue**

<b>Current</b>		
Contract services	18,281	20,058
National cost sharing arrangements	425	4,158
Other <sup>(1)</sup>	5,764	3,736
<b>Total</b>	<b>24,470</b>	<b>27,952</b>
<b>Non-Current</b>		
Other <sup>(1)</sup>	15,192	16,611
<b>Total</b>	<b>15,192</b>	<b>16,611</b>

<sup>(1)</sup> This includes unearned revenue for Ecosciences Precinct and Health and Food Sciences Precinct (property rental).

**Accounting Policy - Unearned revenue**

Unearned revenue is recognised as a liability when the department has received revenue in advance of the delivery of the supply of goods and/or services. The amount recognised at the reporting date is the unspent balance of the funds received for which a contract exists.

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**C7. Equity**

**C7-1. Contributed equity**

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* specifies the principles for recognising contributed equity by the department. Appropriations for equity adjustments are recognised as contributed equity by the department during the reporting and comparative years. Refer Note C7-2.

	2019 \$'000	2018 \$'000
<b>C7-2. Appropriation recognised in equity</b>		
Budgeted equity adjustment appropriation	(2,503)	(4,138)
Transfers to other headings	(1,000)	-
Unforeseen expenditure	-	437
<b>Equity adjustment recognised in contributed equity</b>	<b>(3,503)</b>	<b>(3,701)</b>

**C7-3. Asset revaluation surplus by asset class**

	Land \$'000	Buildings \$'000	Infrastructure \$'000	Heritage & Cultural \$'000	Total \$'000
Balance 1 July 2018	5,816	16,362	4,271	-	26,449
Revaluation increments	3,065	273	-	-	3,338
<b>Balance 30 June 2019</b>	<b>8,882</b>	<b>16,635</b>	<b>4,271</b>	<b>-</b>	<b>29,787</b>

	Land \$'000	Buildings \$'000	Infrastructure \$'000	Heritage & Cultural \$'000	Total \$'000
Balance 1 July 2017	17,097	16,396	4,271	102	37,866
Revaluation decrements	(11,280)	(34)	-	-	(11,314)
Transfers to Accumulated Surplus	-	-	-	(102)	(102)
<b>Balance 30 June 2018</b>	<b>5,816</b>	<b>16,362</b>	<b>4,271</b>	<b>-</b>	<b>26,449</b>



**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**D1. Fair value measurement**

**D1-1. Accounting policies and inputs for fair values**

What is fair value?

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the department include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the department include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the department's assets/liabilities, internal records of recent construction costs (and /or estimates of such costs), assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

Fair value measurement hierarchy

Details of individual assets and liabilities measured under each category of fair value are set out in the following table.

The Department does not recognise any financial assets or financial liabilities at fair value.

All assets and liabilities of the department for which fair value is measured or disclosed in the financial statements are categories within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

Level 1	represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
Level 2	represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
Level 3	represents fair value measurements that are substantially derived from unobservable inputs

None of the department's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**

**Notes to the financial statements**

**For the year ended 30 June 2019**

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**D1-2. Basis for fair values of assets and liabilities**

**Land**

Effective date of last specific appraisal: 30 June 2016 by State Valuation Service (SVS)

Valuation approach: Market-based assessment

Inputs All Local Government property market movements are reviewed annually by market surveys to determine any material changes in values. For local government areas where the Valuer-General has issued land values, an index will be provided. Ongoing market investigations undertaken by SVS assists in providing an accurate assessment of the prevailing market conditions and detail the specific market movement that are applicable to each property.

Significant judgement was used by SVS in arriving at suitable discount rates for the restrictions on reserve land. The fair value of reserve land was derived by discounting the market value of similar land that had no restrictions, and then estimating the discount a willing market participant would make taking into account the restrictions on use.

Subsequent valuation activity: Indexed as at 30 June 2019 and an investigation and research is undertaken by SVS into each factor provided for the indices. SVS provides an individual factor change per property derived from the review of market transactions (Observable Market Data). These market movements are determined having regard to the review of land values undertaken for each local government area issued by the Valuer-General Department of Natural Resources and Mines and Energy.

**Buildings**

Effective date of last specific appraisal: 30 June 2016 by SVS

Valuation approach: The current replacement cost of buildings at balance date is derived using unit prices that required significant judgements. These include identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so, estimating the adjustment to the unit rate required to reflect this difference.

Subsequent valuation activity: Indexed as at 30 June 2019 using the most appropriate method of indexation and determined by the type of asset to which the index is be applied. Improvements such as specialised Government assets were indexed with a Building Price Index (BPI) which is based on recent tenders for typical specialised buildings (Observable Market Data) and is the most appropriate index to apply for specialised government assets.

General non-residential construction was indexed using the Queensland Treasury's OESR Implicit Price Deflator as the recommended and is the most appropriate index to use for these particular assets appropriate index to use for these particular assets.

Residential assets were indexed by the Cordell Housing Price Index which is specific to Queensland house price movements (Observable Market Data) and is the most appropriate index to use for residential housing specific to Queensland properties.

**Infrastructure**

Effective date of last specific appraisal: 30 June 2016 by SVS

Valuation approach: Market based assessment

Subsequent valuation activity: Indexed as at 30 June 2019 using indices provided by SVS. Improvements such as specialised Government assets were indexed with a Building Price Index (BPI) which is based on recent tenders for typical specialised buildings (Observable Market Data) and is the most appropriate index to apply for specialised government assets.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**D1. Fair value measurement (continued)**

**D1-3. Categorisation of assets and liabilities measured at fair value**

	Land		Buildings		Infrastructure		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Fair value level 1	-	-	-	-	-	-	-	-
Fair value level 2	48,431	48,690	45,301	45,643	-	-	93,732	94,333
Fair value level 3	61,290	59,046	68,287	71,440	21,842	21,074	151,419	151,560
<b>Carrying amount at 30 June</b>	<b>109,721</b>	<b>107,736</b>	<b>113,588</b>	<b>117,083</b>	<b>21,842</b>	<b>21,074</b>	<b>245,151</b>	<b>245,893</b>

**D1-4. Level 3 fair value measurement - reconciliation**

	Land		Buildings		Infrastructure		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Carrying amount at 1 July	59,046	71,921	71,440	81,195	21,074	20,364	151,560	173,480
Acquisitions	-	61	-	857	-	1,124	-	2,042
Disposals	(79)	(1,142)	(641)	(412)	-	-	(720)	(1,554)
Transfers between classes	-	-	537	-	1,207	-	1,744	-
Revaluation increments/(decrements)	2,323	(11,793)	213	(51)	-	-	2,536	(11,844)
Impairment (losses)/reversals	-	-	-	5	-	-	-	5
Reclassification of fair value levels	-	-	-	(6,930)	-	-	-	(6,930)
Depreciation and amortisation	-	-	(3,262)	(3,225)	(439)	(414)	(3,701)	(3,640)
<b>Carrying amount at 30 June</b>	<b>61,290</b>	<b>59,046</b>	<b>68,287</b>	<b>71,440</b>	<b>21,842</b>	<b>21,074</b>	<b>151,419</b>	<b>151,560</b>

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**D2 Financial risk disclosures**

**D2-1 Financial instrument categories**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the department becomes party to the contractual provisions of the financial instrument. The department has the following categories of financial assets and financial liabilities:

Financial assets at amortised cost	Note	2019 \$'000	2018 \$'000
Cash and cash equivalents	C1	48,506	40,798
Receivables	C2	42,689	48,746
<b>Total</b>		<b>91,195</b>	<b>89,545</b>
<b>Financial liabilities at amortised cost - comprising</b>			
Payables	C4	27,136	16,982
Security deposits		228	324
<b>Total</b>		<b>27,364</b>	<b>17,306</b>

No financial assets and financial liabilities have been offset and presented net in the statement of Financial Position.

**D2-2 Financial risk management**

**(a) Risk exposure**

Financial risk management is implemented pursuant to Queensland Government and departmental policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the department. All financial risk is managed by the Finance and Asset Management Division under policies approved by the department. The department provides written principles for overall risk management, as well as policies covering specific areas.

The department's activities expose it to a variety of financial risks as set out in the following table:

Risk Exposure	Definition	Exposure
Credit risk	Credit risk exposure refers to the situation where the department may incur financial loss as result of another party to a financial instrument failing to discharge their obligation	The department is exposed to credit risk in respect of its receivables (Note C2)
Liquidity risk	Liquidity risk refers to the situation where the department may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	The department is exposed to liquidity risk in respect of its payables (Note C4).
Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.  <i>Interest rate risk</i> is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	The department does not trade in foreign currency and is not materially exposed to commodity price changes or other market prices.

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**D2 Financial risk disclosures (continued)**

**D2-2 Financial risk management (continued)**

**(b) Risk measurement and management strategies**

<b>Risk Exposure</b>	<b>Measurement Method</b>	<b>Risk Management Strategies</b>
Credit risk	Ageing analysis	The department manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the department invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.
Liquidity risk	Sensitivity analysis	The department manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the department has sufficient funds available to meet employee and supplier obligations as they fall due.  This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.
Market risk	Interest rate sensitivity analysis	DAF does not trade in foreign currency. The department does not undertake any hedging in relation to interest risk and manages its risk as per the department's liquidity risk management strategy articulated in the department's Financial Management Practice Manual.

**D2-3 Credit risk disclosures**

**Credit risk management practices**

DAF considers financial assets that are over 30 days past due to have significantly increased in credit risk, and measures the loss allowance of such assets at lifetime expected credit losses. The loss allowance for trade receivables is measured at lifetime expected credit losses.

The department considers a financial asset to be in default when it becomes 90 days past due. However, a financial asset can be in default before that point if information indicates that the department is unlikely to receive the outstanding amounts in full. The department's assessment of default does not take into account any collateral or other credit enhancements.

The department's write off policy is disclosed in Note C2-1.

**Credit risk exposure**

Credit risk exposure relating to receivables is disclosed in Note C2-1

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**D3. Contingencies**

**(a) Litigation in progress**

As at 30 June 2019, the following cases were filed in the courts naming the State of Queensland through DAF or DAF, as defendant:

	<b>2019</b>	<b>2018</b>
Federal Court	1	-
District Court	3	3
Magistrates Court	19	16
Planning and Environment Court	-	4
Queensland Civil and Administrative Tribunal (QCAT)	1	1
Queensland Industrial Relations Commission (QIRC)	1	2
Administrative Appeals Tribunal (AAT)	-	1
<b>Total number of litigation in progress</b>	<u><u>25</u></u>	<u><u>27</u></u>

It is not possible to make a reliable estimate of the final amount payable, if any, in respect of the litigation before the courts at this time. The department has also received notification of three other cases that are not yet subject to court action. This may or may not result in subsequent litigation. Depending on the outcome of the litigation process, indemnity for the department may be sought in respect of some of the above matters through the Queensland Government Insurance Fund.

**(b) Contaminated land sites**

Assets of the former Forestry Plantations Queensland (FPQ) were transferred to HQPlantations Pty Ltd (HQPlantations) or the State respectively in 2010. This included the transfer of potentially contaminated land and assets to the State including: underground (fuel) storage tanks, above-ground (fuel) storage tanks and herbicide disposal pits. Responsibility for the potentially contaminated land assets was placed with DAF to manage on behalf of the State.

In 2018 the remediation for the fuel tank site locations was completed with the necessary environmental clearance. All herbicide pits are long out of use and since have been buried.

In 2019-20, DAF will seek to surrender the management of contaminated land sites from the Department of Environment and Science (DES).

**(c) Long-term sales permits**

The department, under the provisions of the *Forestry Act 1959*, has issued the following long-term sales permits to various sawmilling business regarding the supply of log timber from State-owned native forests.

- 13 sales permits, which expire 31 December 2024, and 1 sales permit, which expires 31 December 2019, for the supply of native forest hardwood sawlogs from State-owned native forests in south-east Queensland;
- 2 sales permits, which expire 31 December 2034, for the supply of native forest hardwood sawlogs from State-owned native forests in Western Queensland; and
- 14 sales permits, which expire 31 December 2037, for the supply of native forest cypress sawlogs from State-owned native forests in Southern Queensland.

These sales permits provide for the payment of compensation by the department to the holder to the extent that the specified quantity of log timber is not harvested from the particular State-owned forests. At this stage the department does not foresee the need to pay compensation in relation to any of these long-term sales permits.

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**D4. Commitments**

**(a) Operating leases**

Commitments under operating leases at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
. Not later than 1 year	23,553	21,531
. Later than 1 year and not later than 5 years	66,453	72,612
. Later than 5 years	<u>283,251</u>	<u>297,873</u>
<b>Total operating lease commitments</b>	<b><u>373,257</u></b>	<b><u>392,016</u></b>

The department has operating leases predominately relating to land, building, laboratories, office accommodation and storage facilities. Lease payments are generally fixed and reported at present value, but with inflation escalation clauses on which contingent rentals are determined.

**(b) Capital expenditure commitments**

Material classes of capital expenditure commitments (inclusive of non-recoverable GST input tax credits) contracted for at the reporting date but not recognised in the accounts are payable as follows:

Capital Works in Progress		
Plant and equipment	816	1,314
	<u>54</u>	<u>411</u>
	<b><u>870</u></b>	<b><u>1,725</u></b>
Payable:		
. Not later than 1 year	<u>870</u>	<u>1,725</u>
<b>Total capital expenditure commitments</b>	<b><u>870</u></b>	<b><u>1,725</u></b>

**(c) Grants and subsidies commitments**

Grants and subsidies commitments (inclusive of non-recoverable GST input tax credits), committed to be provided at the reporting date, but not recognised in the accounts are payable as follows:

Payable:		
. Not later than 1 year	18,930	10,164
. Later than 1 year and not later than 5 years	<u>17,318</u>	<u>18,909</u>
<b>Total grants and subsidies expenditure commitments</b>	<b><u>36,248</u></b>	<b><u>29,073</u></b>

**(d) Other expenditure commitments**

Other expenditure commitments (inclusive of non-recoverable GST input tax credits), committed to provide at reporting date but not recognised in the accounts are payable as follows:

Payable:		
. Not later than 1 year	72,144	49,145
. Later than 1 year and not later than 5 years	38,358	26,850
. Later than five years	<u>55,726</u>	<u>60,298</u>
<b>Total other expenditure commitments</b>	<b><u>166,228</u></b>	<b><u>136,294</u></b>

Expenditure commitments have increased largely due to additional contractors engaged for Biosecurity responses and the extension of the Shark Control program to 2027.

**D5. Events occurring after reporting date**

There are no events subsequent to balance date, which would have material effect on the information provided in the department's controlled or administered financial statements.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
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**D6. Future impact of accounting standards not yet effective**

At the date of authorisation of the financial report, the potential impacts of new or amended Australian Accounting Standards with future commencement dates are set out below.

**AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers**

The transition date for both AASB 15 and AASB 1058 is 1 July 2019. Consequently, these standards will first apply to the department when preparing the financial statements for 2019-20. The department has reviewed the impact of AASB 15 and AASB 1058 and identified the following impacts (or estimated impact where indicated) of adoption the new standards:

Special Purpose Capital Grants

Under AASB 1058, special purpose grants received to construct non-financial assets controlled by the department will be recognised as a liability, and subsequently recognised progressively as revenue as the department satisfies its performance obligations under the grant.

The department is not currently in receipt of any capital grants.

Capital Appropriation Funding

Amounts for capital works received by the department via equity appropriation from Queensland Treasury will continue to be recognised on receipt of the appropriation. There is no impact on unearned revenue or revenue recognition for these amounts.

Grants and Contributions Revenue

National Cost Sharing Arrangements - The department has cost sharing arrangements with the Commonwealth's Department of Agriculture and Water Resources (DAWR) and other States and Territories that relate to funding of activity based services for the eradication and control of pests and diseases, including the NRIFAEP, Red Witch Weed Program and Four Tropical Weeds Program. These arrangements have been identified as having sufficiently specific performance obligations under enforceable agreements. Under AASB 15, revenue will be recognised progressively over time and a contract asset (representing the department's right to consideration in exchange for the services transferred to the customer) recognised for services rendered but unbilled at each reporting date. Timing of payments can also result in unearned revenue for unperformed services at the reporting date.

For the period ended 30 June 2019, grant monies totalling \$26.6 million for these projects was recognised in revenue and \$0.4 million recognised as unearned revenue and \$15.1 million invoiced as receivable. The impact upon transition to the new standard will be nil. Revenue will be recognised using the input method which matches the expenditure under the current accounting treatment.

There are no changes to expenses previously recognised in the 2018/19 financial year. Expenses incurred in delivering these programs in 2019/20 will continue to be expensed as incurred. No costs incurred will give rise to the recognition of any asset.

All remaining grants of the department are expected to be recognised on receipt under AASB 1058.

Royalties

The department under the provisions of the *Forestry Act 1959* has issued sales permits regarding the supply of forest products (including native forest log timber and quarry material) from lands relevant to the *Forestry Act 1959*. The department recognises the revenue for forest products based on the returns provided by the permit holders. The department expects no change to revenue recognition as the delivery of the goods to the customer represents the sole performance obligation.

Licence and Permit Revenue

The department has revenue from the issue of licences and permits for agricultural, fishing and biosecurity activities. In accordance with Queensland Treasury's proposed policy directive following amendments to AASB 15 (arising from AASB 2018-4 Amendments to Australian Accounting Standards –Australian Implementation Guidance for Not-for-Profit Public Sector Licensors), the revenue will be recognised under AASB 15 when the performance obligations are fulfilled. As the sole performance obligation is the issue of the licence to the customer, revenue will be recognised when the licence is issued. As this has the same accounting consequence to the current accounting of recognising revenue on receipt of the licence fee, no change is expected to revenue recognition for licence revenue. The department has assessed that any refund liability under AASB 15 will not be material.



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**D6. Future impact of accounting standards not yet effective (continued)**

**AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers (continued)**

Sale of Services

Information Technology Partners (ITP) –Service Level Agreements - The department provides information technology services to DNRME, DES and DITID on a cost recovery basis. Under AASB 15, revenue will be recognised in exchange for the services transferred to the customer. An accrual will be recognised for services rendered but unbilled at each reporting date. There will be no transitional adjustments at 1 July 2019 for ITP service revenue.

For the period ended 30 June 2019, service revenue totalling \$46.1 million was recognised in revenue and \$5.4 million recognised as receivable. The impact on transition to the new standard will be nil.

Research and Development Contract Services – The department performs research and development services under legally enforceable contracts with specific deliverables, milestones, terms and conditions and a financial acquittal processes. Revenue is recognised to match the expenditure incurred in the performance of obligations and delivery of milestones.

There will be no transitional adjustments at 1 July 2019 for service revenue as the department expects recognises, a contract asset receivable, an amount of unbilled revenue equal to the department's right to receive consideration in exchange for the services transferred to customers and also recognised a liability for unearned revenue where funding provided is unspent. Revenue will be recognised using the input method, which matches the expenditure under the current accounting treatment.

For the period ended 30 June 2019, user charges totalling \$40.6 million for these projects was recognised in revenue and \$18.3 million recognised as unearned revenue and \$3.4 million accrued as revenue but not invoiced. The impact on transition to the new standard will be nil.

Sale of Goods

The department expects no change to revenue recognition from the sale of goods including livestock, vaccines, publications and farming produce as the delivery of the goods to the customer represents the sole performance obligation. The amount of any right of return asset or refund liability has been determined to be negligible and immaterial to record on transition.

**AASB 16 Leases**

This standard will first apply to the department from its financial statements for 2019-20. When applied, the standard supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases - Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*

Impact for lessees

Under AASB 16, the majority of operating leases will be (as defined by the current AASB 117 and shown at Note D4 (a)) will be reported on the Statement of Financial Position as right-of-use assets and lease liabilities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the statement of comprehensive income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. In accordance with Queensland Treasury's policy, the department will apply the 'cumulative approach', and will not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application.

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**D6. Future impact of accounting standards not yet effective (continued)**

**AASB 16 Leases (continued)**

Outcome of review as lessee

The department has completed its review of the impact of adoption of AASB 16 on the statement of financial position and statement of comprehensive income and has identified the following major impacts which are outlined below.

During the 2018/19 financial year, DAF held operating leases under AASB 117 from the Department of Housing and Public Works (DHPW) for non-specialised, commercial office accommodation through the Queensland Government Office (QGAO) and residential accommodation through the Government Employee Housing (GEH) program. Lease payments under these arrangements totalled \$18.9 million annually. The department has been advised by Queensland Treasury and DHPW that effective 1 July 2019, amendments to the framework agreements that govern QGAO and GEH will result in the above arrangements being exempt from lease accounting under AASB16. This is due to DHPW having substantive substitution rights over the non-specialised, commercial office accommodation and residential premises assets used within these arrangements. From 2019-20 onwards, costs for these services will continue to be expensed as supplies and services expense when incurred.

Fit outs in QGAO accommodation recognised as leasehold improvements as at 30 June 2019 will continue to be recognised as assets under the control of the department and amortised over the life of the asset or the remaining term of the lease, whichever is the shorter term. From 1 July 2019, new fit outs in QGAO accommodation will be recognised by DHPW and not transferred to the department.

The department has also been advised by Queensland Treasury and DHPW that effective 1 July 2019, motor vehicles provided under DHPW's QFleet program will be exempt from lease accounting under AASB 16. This is due to DHPW holding substantive substitution rights for vehicles provided under the scheme. From 2019-20 onward, costs for these services will continue to be expensed as supplies and services expense when incurred. Existing QFleet leases were not previously included as part of non-cancellable operating lease commitments.

The department has quantified the transitional impact on the statement of financial position and statement of comprehensive income of all qualifying lease arrangements that will be recognised on-balance sheet under AASB 16, as follows.

- Statement of financial position impact on 1 July 2019:
  - \$103 million increase in lease liabilities
  - \$103 million increase in right-of-use assets
- Statement of comprehensive income impact expected for the 2019-20 financial year, as compared to 2018-19:
  - \$5.6 million increase in depreciation and amortisation expense
  - \$3.0 million increase in interest expense
  - \$5.7 million decrease in supplies and services expense
  - This results in a net increase of \$2.9 million in total expenses
  - \$2.9 million increase in appropriation revenue in total revenue

The impact on the statement of position is mainly due to the recognition of the lease for office accommodation and laboratories with Queensland Health at the Health and Foods Sciences Precinct. The lease is internal to government arrangements due to the specialised nature of the laboratories being leased, is not exempted from applying AASB 16, as it is not solely office accommodation and substitution of tenants is not possible for the specialised laboratory space. The lease is currently recognised in 2018-19 as a cancellable operating lease under a memorandum of understanding between agencies.

Impact for lessors

Lessor accounting under AASB 16 remains largely unchanged from AASB 117. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

## DEPARTMENT OF AGRICULTURE AND FISHERIES

## Notes to the financial statements

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## E1. Budgetary reporting disclosures

This section contains explanations of major variances between the department's actual 2018-19 financial results and the original budget presented to Parliament.

## E1-1. Explanation of major variances - statement of comprehensive income

	Variance Notes	Original Budget 2019 \$'000	Actual 2019 \$'000	Budget Variance 2019 \$'000
<b>Income from continuing operations</b>				
Appropriation revenue	1	313,808	316,077	2,269
User charges and fees	2	113,682	142,124	28,442
Grants and contributions	3	26,044	36,879	10,835
Royalties	4	27,675	30,546	2,871
Other revenue		403	1,020	617
<b>Total revenue</b>		<b>481,612</b>	<b>526,646</b>	<b>45,034</b>
Gains on disposal/revaluation of assets	5	95	1,424	1,329
<b>Total income from operations</b>		<b>481,707</b>	<b>528,070</b>	<b>46,363</b>
<b>Expenses from continuing operations</b>				
Employee expenses	6	226,008	214,688	(11,320)
Supplies and services	7	221,691	248,490	26,799
Grants and subsidies	8	10,164	29,012	18,848
Depreciation and amortisation	9	21,599	19,585	(2,014)
Impairment losses	10	-	239	239
Other expenses	11	2,245	16,057	13,812
<b>Total Expenses from continuing operations</b>		<b>481,707</b>	<b>528,070</b>	<b>46,363</b>
<b>Operating result for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>

## Explanation of major variances:

- The increase is largely due to additional funding released in 2018-19 from the funds held centrally by government for the continuation of the Drought Assistance Package, additional funding received in 2018-19 for the On-Farm Emergency Water Infrastructure rebate scheme and a realignment of existing Queensland Government funding for the ten-year National Red Imported Fire Ant Eradication Program (NRIFAEP) from 2021-22 to 2026-27 to accelerate treatments in 2018-19 to 2020-21. This is partly offset by the deferral of funding from 2018-19 to the outer years to realign the budget with anticipated cash flows for various departmental programs.
- The increase is largely due to additional revenue (\$4.8 million) for National Cost Sharing (NCS) arrangements from other states and territories for pest and disease emergency responses following the finalisation of funding arrangements during 2018-19 and higher than expected ICT project revenue (\$10.1 million) through the Business and Corporate Partnership (BCP) arrangements.
- The increase is due to additional revenue (\$5.9 million) from the Australian Government for NCS arrangements for pest and disease emergency responses following the finalisation of funding arrangements during 2018-19. There were additional funds (\$3.5 million) received from DES for the Yurol/Ringtail protected area that has been paid to HQ Plantations in accordance with the deed.
- The increase is mainly due to higher than expected royalties from the sale of quarry materials in 2018-19.
- Higher than expected cattle prices at the end of the year has led to an increase in the livestock valuation.
- The variance is largely due to vacant budgeted positions across the department with the use of contractors in place of employees for seasonal work, short term demand and biosecurity pest and disease emergency responses.
- The variance is largely due to additional expenses (\$14.5 million) associated with biosecurity pest and disease emergency responses including the NRIFAEP for the acceleration of treatments in 2018-19, the Four Tropical Weeds, Exotic Fruit Fly Strategy in the Torres Strait, Red Witch Weed and the National Electric Ants eradication programs. An increase in ICT contractor expenses (\$13.2 million) to meet the increased BCP project demand.
- The increase is largely due to expenses (\$16.4 million) incurred in 2018-19 for the continuation of the Drought Assistance Package where the 2018-19 allocation was held centrally by Queensland Treasury. Also contributing to the increase is the On-Farm Emergency Water Infrastructure rebate scheme (\$2.2 million) and grant payments (\$0.8 million) to Queensland Strawberry Growers Association (QSGA) and GrowCom under the Strawberry Industry Recovery Package. These programs were approved during 2018-19.
- The decrease is largely caused by a reduction in plant and equipment depreciation due to the timing of the replacement program for information technology assets.

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**E1-1. Explanation of major variances - statement of comprehensive income (continued)**

10. The increased expense relates to the write off of bad debts that the department has deemed unrecoverable.
11. The increase is largely due to the end of year adjustments (\$9.7 million) for unexpended appropriation that is to be returned to Queensland Treasury which will either be lapsed or deferred to 2019-20 and the payment to HQ Plantations (\$3.5 million) for the Yuroi/Ringtail protected area in accordance with the deed.

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**For the year ended 30 June 2019**

**E1-2. Explanation of major variances - statement of financial position**

	Variance Notes	Original Budget 2019 \$'000	Actual 2019 \$'000	Budget Variance 2019 \$'000
<b>Current assets</b>				
Cash and cash equivalents	12	39,305	48,506	9,201
Receivables	13	34,670	42,689	8,019
Inventories		1,000	942	(58)
Other current assets	14	6,117	7,796	1,679
		81,092	99,934	18,842
Non-current assets classified as held for sale	15	-	1,010	1,010
<b>Total current assets</b>		<b>81,092</b>	<b>100,944</b>	<b>19,852</b>
<b>Non-current assets</b>				
Intangible assets	16	1,917	1,073	(844)
Property, plant and equipment	17	354,819	353,462	(1,357)
Other non-current assets		11,409	11,719	310
<b>Total non-current assets</b>		<b>368,145</b>	<b>366,254</b>	<b>(1,891)</b>
<b>Biological assets</b>				
Biological assets	18	3,285	4,335	1,050
<b>Total biological assets</b>		<b>3,285</b>	<b>4,335</b>	<b>1,050</b>
<b>Total assets</b>		<b>452,522</b>	<b>471,532</b>	<b>19,009</b>
<b>Current liabilities</b>				
Payables	19	11,400	27,136	15,736
Accrued employee benefits	20	8,013	9,474	1,461
Unearned revenue	21	21,420	24,470	3,050
Security deposits		-	228	228
<b>Total current liabilities</b>		<b>40,833</b>	<b>61,308</b>	<b>20,475</b>
<b>Non-current liabilities</b>				
Unearned revenue		15,191	15,192	1
<b>Total non-current liabilities</b>		<b>15,191</b>	<b>15,192</b>	<b>1</b>
<b>Total liabilities</b>		<b>56,024</b>	<b>76,500</b>	<b>20,476</b>
<b>Net assets</b>		<b>396,498</b>	<b>395,032</b>	<b>(1,467)</b>

**Explanation of major variances:**

12. The higher than expected closing cash balance is mainly attributed to the unexpended appropriation revenue (\$9.7 million) at the end of the financial year that is to be returned to Queensland Treasury and revenue received in advance for multi year Reef Water Quality Science projects and contractual agreements for Research and Development (R&D) projects.
13. The increase is largely due to higher than expected contributions not yet received under NCS partners for biosecurity pest and emergency disease responses (including outstanding contributions from the Australian Government for NRIFAEP, Electric Ants and Four Tropical Weeds).
14. The variance is due to higher than originally planned as software licences were prepaid at the end of the financial year.
15. The closing balance reflects land held for sale at Roma.
16. The decrease is largely due to lower than anticipated software acquisitions during 2018-19.
17. The decrease largely represents the transfer of land from non current assets to current assets held for land held for sale in 2018-19.
18. Higher than expected cattle prices at the end of the year has led to an increase in the livestock valuation.
19. The closing balance of payables is higher than expected due to the unexpended appropriation revenue (\$9.7 million) at the end of the financial year that is to be returned to Queensland Treasury. This includes increased IT contractor accrual associated with BCP projects, capital works accrual for the Toowoomba facilities upgrade, AMP accrual and an accrual for a milestone payment to Sugar Research Australia.
20. The closing balance of accrued employee benefits is based on the timing of the last pay period at the end of the month with an accrual actioned for the number of unpaid days after this pay period.
21. The closing balance reflects higher than expected revenue received in advance that will be carried forward to 2019-20 for contractual agreements for Research and Development projects and multi year Reef Water Quality Science projects.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**E1-3. Explanation of major variances - statement of cash flows**

	Variance Notes	Original Budget 2019 \$'000	Actual 2019 \$'000	Budget Variance 2019 \$'000
<b>Cash flows from operating activities</b>				
Inflows:				
Service appropriation receipts	22	313,808	316,198	2,390
User charges and fees	23	111,482	135,093	23,611
Grants and other contributions	24	26,044	44,699	18,655
Royalties	25	27,675	30,546	2,871
GST input tax credits received from ATO		13,181	12,433	(748)
GST collected from customers		-	14,368	14,368
Other inflows		1,003	1,218	215
Outflows:				
Employee expenses	26	(226,008)	(214,373)	11,635
Supplies and services	27	(222,304)	(248,101)	(25,797)
Grants and subsidies	28	(10,164)	(29,012)	(18,848)
GST paid to suppliers		(13,131)	(26,868)	(13,737)
Other outflows		(2,845)	(5,639)	(2,794)
Net cash provided operating activities		<u>18,741</u>	<u>30,560</u>	<u>11,819</u>
<b>Cash flows from investing activities</b>				
Inflows:				
Sales of property, plant and equipment		525	346	(179)
Sales of biological assets		-	(392)	(392)
Outflows:				
Payments for property, plant and equipment		(20,377)	(19,855)	522
Payments for intangibles		-	(497)	(497)
Payments for biological assets		-	1,049	1,049
Net cash used in investing activities		<u>(19,852)</u>	<u>(19,350)</u>	<u>502</u>
<b>Cash flows from financing activities</b>				
Inflows:				
Equity injections	29	1,000	-	(1,000)
Outflows:				
Equity withdrawals		(3,503)	(3,503)	-
Net cash provided by financing activities		<u>(2,503)</u>	<u>(3,503)</u>	<u>(1,000)</u>
Net increase/(decrease) in cash and cash equivalents		(3,614)	7,708	11,322
<b>Cash and cash equivalents - opening balance</b>		<u>42,919</u>	<u>40,798</u>	<u>(2,121)</u>
<b>Cash and cash equivalents - closing balance</b>	C1	<u>39,305</u>	<u>48,506</u>	<u>9,201</u>

**Explanation of major variances:**

22. The increase is largely due to additional funding released in 2018-19 from the funds held centrally by government for the continuation of the Drought Assistance Package, additional funding received in 2018-19 for the On-Farm Emergency Water Infrastructure rebate scheme and a realignment of existing Queensland Government funding for the ten-year NRIFAEP from 2021-22 to 2026-27 to accelerate treatments in 2018-19 to 2020-21. This is partly offset by the deferral of funding from 2018-19 to the outer years to realign the budget with anticipated cashflows for various departmental programs.
23. The variance is largely due to additional revenue for National Cost Sharing (NCS) arrangements from other states and territories for pest and disease emergency responses following the finalisation of funding arrangements during 2018-19 and higher than expected ITP project revenue through the BCP.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

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**E1-3. Explanation of major variances - statement of cash flows (continued)**

**Explanation of major variances (continued):**

24. Grants revenue has exceeded the original budget due to additional revenue from the Australian Government for NCS arrangements for pest and disease emergency responses following the finalisation of funding arrangements during 2018-19. Additional funds were also received from DES for the Yurol/Ringtall protected area that has been paid to HQ Plantations in accordance with the deed.
25. The increase is mainly due to higher than expected royalties from the sale of quarry materials in 2018-19.
26. The variance is largely due to vacant budgeted positions across the department with the use of contractors in place of employees for seasonal work, short term demand and biosecurity pest and disease emergency responses.
27. The variance is largely due to additional expenses associated with biosecurity pest and disease emergency responses including the NRIFAEP for the acceleration of treatments in 2018-19, the Four Tropical Weeds, Exotic Fruit Fly Strategy in the Torres Strait, Red Witchweed and the National Electric Ants eradication programs and increased ICT contractors to meet the increased BCP project demand.
28. The increase is largely due to expenses incurred in 2018-19 for the continuation of the Drought Assistance Package whereby the 2018-19 allocation was held centrally by Queensland Treasury. Also contributing to the increase is the On-Farm Emergency Water Infrastructure rebate scheme and grant payments to QSGA and GrowCom under the Strawberry Industry Recovery Package. These programs were approved during 2018-19.
29. The original budget included an equity injection for the restoration works for the Jimna Fire Tower which was transferred after the finalisation of the 2018-19 budget from Controlled to Administered and swapped to output funding.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**F1. Administered activities**

The department administers, but does not control, certain resources on behalf of the Government. In doing so, it has responsibility and is accountable for administering related transactions and items, but does not have the discretion to deploy the resources for the achievement of the department's objectives.

These transactions and balances are not significant in comparison to the department's overall financial performance/financial position.

Accounting policies applicable to administered items are consistent with the equivalent policies for controlled items, unless stated otherwise.

**F1-1. Schedule of administered income and expenditure**

		2019	2019	Budget	2018
	Variance	Actual	Original	Variance	Actual
	Notes	\$'000	Budget	\$'000	\$'000
			\$'000		
<b>Administered income</b>					
Appropriation revenue	1	92,080	40,370	51,710	26,737
User charges and fees		1,807	1,907	(100)	1,803
Grants and other contributions		15,597	16,531	(934)	15,191
Other revenue	2	9,930	1,750	8,180	960
<b>Total administered income</b>		<b>119,415</b>	<b>60,558</b>	<b>58,856</b>	<b>44,691</b>
<b>Administered expenses</b>					
Grants to Queensland Rural and Industry Development Authority (QRIDA)	3	63,486	13,481	50,005	14,010
Grants to Queensland Racing Integrity Commission (QRIC)		27,060	26,870	190	11,958
Supplies and services		223	-	223	-
Loss on disposal		91	-	91	-
Other expenses		57	-	57	-
Depreciation and amortisation		20	19	1	20
Decrements on revaluation		-	-	-	29
Transfers of Administered appropriation to Government		1,235	-	1,235	750
Transfers of Administered income to Government	4	27,332	20,188	7,144	17,954
<b>Total administered expenses</b>		<b>119,504</b>	<b>60,558</b>	<b>58,946</b>	<b>44,721</b>
<b>Operating surplus/(deficit)</b>	5	<b>(89)</b>	<b>-</b>	<b>(90)</b>	<b>(30)</b>



**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**F1-2. Schedule of administered assets, liabilities and equity**

		2019	2019	Budget	2018
	Variance	Actual	Original	Variance	Actual
	Notes	\$'000	\$'000	\$'000	\$'000
<b>Administered assets</b>					
<i>Current</i>					
Cash	6	16,294	7	16,287	760
Receivables	7	7,095	61	7,034	16,457
<b>Total current assets</b>		<b>23,389</b>	<b>68</b>	<b>23,321</b>	<b>17,218</b>
<i>Non-current</i>					
Property, plant and equipment		757	923	(166)	912
<b>Total non-current assets</b>		<b>757</b>	<b>923</b>	<b>(166)</b>	<b>912</b>
<b>Total assets</b>		<b>24,146</b>	<b>991</b>	<b>23,155</b>	<b>18,130</b>
<b>Administered liabilities</b>					
<i>Current</i>					
Administered income refundable to Government	8	1,235	-	1,235	1,730
Payables to Government	9	22,069	49	22,020	15,469
Other payables		66	49	17	-
<b>Total current liabilities</b>		<b>23,370</b>	<b>49</b>	<b>23,255</b>	<b>17,199</b>
<b>Net administered assets/liabilities</b>		<b>775</b>	<b>942</b>	<b>(100)</b>	<b>931</b>
<b>Equity</b>					
Contributed equity		3,670	-	3,670	3,754
Accumulated deficit		41	-	41	23
Asset revaluation reserve surplus		(2,935)	-	(2,935)	(2,846)
<b>Total equity</b>		<b>775</b>	<b>-</b>	<b>775</b>	<b>931</b>

**DEPARTMENT OF AGRICULTURE AND FISHERIES**

**Notes to the financial statements**

**For the year ended 30 June 2019**

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**F1-3. Administered activities - budget to actual comparison and variance analysis**

1. The increase is largely due to the additional funding approved in April 2019 for QRIDA to administer the Federal Government Restocking, Replanting and On-Farm infrastructure grants program over three years commencing in late 2018-19.
2. The increase reflects the revenue received from compensation in relation to a foregone obligation relating to a timber resource.
3. The increase is largely due to the additional funding approved in April 2019 for QRIDA to administer the Federal Government Restocking, Replanting and On-Farm infrastructure grants program over three years commencing in late 2018-19.
4. The increase reflects the transfer of additional revenue received from compensation in relation to a foregone obligation relating to a timber resource, which was not included in the original budget.
5. The operating deficit reflects the loss on disposal of the former Yarraman and Ingham workshops during 2018-19.
6. The closing balance mainly reflects a timing difference in the transfer of the 2018-19 contribution from Racing Queensland to the Consolidated fund. This is to be transferred in July.
7. The closing balance includes a receivable for the second compensation instalment in relation to a foregone obligation relating to a timber resource.
8. The closing balance reflects the unexpended administered appropriation revenue associated with QRIDA administration fees and the restoration of the Jimna Fire Tower that is to be returned to Queensland Treasury and deferred to 2019-20.
9. The closing balance reflects a payable to recognise the transfer of revenue for the second compensation instalment in relation to a foregone obligation relating to a timber resource and the 2018-19 contribution from Racing Queensland to the Consolidated Fund.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>F1-4. Reconciliation of payments from consolidated fund to administered income</b>		
Budgeted appropriation	40,351	14,028
Transfers from other departments	-	12,688
Transfers from other headings	1,000	-
Equity adjustment	84	12
Equity adjustment (to reverse deferred appropriation)	(1,540)	-
Unforeseen expenditure <sup>(1)</sup>	50,455	982
<b>Total administered receipts</b>	<b>90,350</b>	<b>27,710</b>
Add: opening balance of deferred appropriation payable to Consolidated Fund	1,730	7
Less: closing balance of deferred appropriation payable to Consolidated Fund	(1,235)	(1,730)
<b>Net appropriation revenue</b>	<b>90,845</b>	<b>25,987</b>
Plus deferred appropriation payable to Consolidated Fund (expense)	1,235	750
<b>Appropriation revenue recognised in statement of comprehensive income</b>	<b>92,080</b>	<b>26,737</b>
<sup>(1)</sup> The amount for 2018-19 relates to funding from Commonwealth government for North and Far North Queensland Monsoon.		
<b>F1-5. Reconciliation of payments from consolidated fund to equity adjustment recognised in contributed equity</b>		
Budgeted equity adjustment appropriation	2,123	1,142
Equity adjustment	(84)	(12)
Equity adjustment( to reverse deferred appropriation)	1,540	-
<b>Equity adjustment receipts (payments)</b>	<b>3,579</b>	<b>1,130</b>
Less: opening balance of equity adjustment receivable	(980)	-
Plus: closing balance of equity adjustment receivable	-	980
Plus: opening balance of equity adjustment payable	-	(7)
<b>Equity adjustment recognised in contributed equity</b>	<b>2,599</b>	<b>2,103</b>

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**G1. Key management personnel (KMP) disclosures**

**Details of key management personnel**

The department's responsible Minister is identified as part of the department's KMP, consistent with additional guidance included in AASB 124 *Related Party Disclosures*. That Minister is the Minister for Agricultural Industry Development and Fisheries.

The following details for non-Ministerial KMP reflect those departmental positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2018-19 and 2017-18. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Director-General	The Director-General is responsible for the efficient, effective and economic administration of the department overseeing Agriculture, Fisheries and Forestry and Biosecurity Queensland.
Deputy Director-General, Corporate	The Deputy Director-General is responsible for the efficient, effective and economic administration of the Human Resource, ICT, Strategy, Performance, Business Services, Finance, Media, Communications and Corporate Partnership functions of the department.
Deputy Director-General, Agriculture Queensland	The Deputy Director-General is responsible for the efficient, effective and economic administration of Queensland Agriculture and Fisheries, Food, Forestry and Regional Services and functions of the department.
Deputy Director-General, Fisheries and Forestry	The Deputy Director-General is responsible for the efficient, effective and economic administration of Queensland Fisheries and Forestry activities and responsibilities.
Chief Biosecurity Officer, Biosecurity Queensland	The Chief Biosecurity Officer is responsible for the efficient, effective and economic administration of Queensland's Biosecurity functions and responsibilities of the department.

**KMP remuneration policies**

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members Remuneration Handbook. The department does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlement being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government Consolidated Financial Statements which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the department's other KMP is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.

Remuneration expenses for those KMP comprise the following components:

- Short term employee expenses, including:
  - salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee was a key management person.
  - non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service entitlements) payable on termination of employments or acceptance of an offer of termination of employment.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**G1. Key management personnel (KMP) disclosures (continued)**

**Remuneration Expenses**

The following disclosure focus on the expenses incurred by the department attributable to non-Ministerial KMP during respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

**1 July 2018 – 30 June 2019**

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Total Expenses <sup>(1)</sup>
	Monetary Benefits \$ '000	Non-Monetary Benefits \$ '000	\$ '000	\$ '000	\$ '000
Director-General	324	-	7	37	368
Director-General (Acting) 30/8/2018 - 15/9/2018 and 5/5/2019 - 2/6/2019	27	-	1	3	31
Deputy Director-General, Corporate 20/5/2019 - 30/6/2019	10	-	-	2	12
Deputy Director-General, Corporate (Acting) 1/7/2018 - 10/5/2019	192	-	4	21	217
Deputy Director-General, Agriculture Queensland 20/5/2019 - 30/6/2019	21	-	-	2	23
Deputy Director-General, Agriculture Queensland (Acting) 1/7/2018 - 17/5/2019	229	-	4	20	254
Deputy Director-General, Fisheries and Forestry	198	-	4	21	222
Deputy Director-General, Fisheries and Forestry (Acting) 22/10/2018 - 31/12/2018 and 6/5/2019 - 28/5/2019	64	-	1	6	71
Chief Biosecurity Officer 1/1/2019 - 30/6/2019	118	-	2	13	133
Chief Biosecurity Officer (Acting) 1/7/2018 - 31/12/2018 and 25/3/2019 - 2/6/2019	173	-	3	18	194
<b>Total</b>	<b>1,355</b>	<b>-</b>	<b>26</b>	<b>144</b>	<b>1,525</b>

<sup>(1)</sup> The key management personnel and remuneration expenses above for the year ended 30 June 2019 does not include any termination benefits.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**G1. Key management personnel (KMP) disclosures (continued)**

**Remuneration Expenses (continued)**

1 July 2017 – 30 June 2018

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Total Expenses <sup>(1)</sup>
	Monetary Benefits \$ '000	Non-Monetary Benefits \$ '000	\$ '000	\$ '000	\$ '000
Director-General	326	-	7	26	359
Director-General (Acting) 19/09/2017 - 15/10/2017, 10/11/2017 -16/11/2017 and 23/06/2018 - 30/06/2018	44	-	1	3	48
Deputy Director-General, Corporate <sup>(2)</sup> 01/07/2017 - 09/01/2018	110	-	2	14	126
Deputy Director-General, Corporate <sup>(2)</sup> (Acting)05/02/2018 - 09/01/2018	78	-	2	9	89
Deputy Director-General, Agriculture Queensland 01/07/2017 - 13/10/2017	57	-	1	6	64
Deputy Director-General, Agriculture Queensland (Acting) 16/10/2017 - 22/6/2018	166	-	3	18	187
Deputy Director-General, Fisheries and Forestry	216	-	4	25	245
Chief Biosecurity Officer 01/07/2017 - 01/09/2017	65	-	1	7	73
Chief Biosecurity Officer (Acting) 16/10/2017 - 30/06/2018	171	-	4	19	194
<b>Total</b>	<b>1,233</b>	<b>-</b>	<b>25</b>	<b>127</b>	<b>1,385</b>

<sup>(1)</sup> The key management personnel and remuneration expenses above for the year ended 30 June 2018 does not include any termination benefits.

<sup>(2)</sup> This position was previously shared with the former Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID) until the MoG changes in December 2017. The new DITID has established a standalone corporate function.

**Performance payments**

No KMP remuneration packages provide for performance or bonus payments.

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

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**G2. Related party transactions**

**Transactions with people/entities related to KMP**

A review has been undertaken for the 2018-19 financial year, to 30 June 2019, of the department's KMP related party transactions (RPT) disclosures and no transactions have been identified between the department and it's KMPs' related parties.

**Transactions with other Queensland Government-controlled entities**

The department's primary ongoing sources of funding from Government for its services are appropriation revenue (Note B1-1) and equity injections (Note C7-2), both of which are provided in cash via Queensland Treasury.

The department received defined services from the following agencies:

- DNRME: Accommodation Services and Legal Services.
- DES: Privacy and Ethics, Internal Audit, Procurement, Right to Information.

As the host agency, DAF provided defined services to the following agencies for the period 1 July 2018 to 30 June 2019:

- DNRME: Information Management, Fleet Management, Telecommunications.
- DES: Information Management, Fleet Management, Telecommunications.
- DITID: Finance, Information Management, Fleet Management, Telecommunications.

User Charges and Fees (Note B1-2) includes the fee for service revenue received from the above agencies for information management services and this represents approximately 33% of the total User Charges and Fees.

Operating lease rentals disclosed in (Note B3-2) includes: property lease rentals across the State with the Department of Housing and Public Works and accommodation at the Health Food Sciences Precinct Coopers Plains with Queensland Health; and motor vehicle lease arrangements are provided by QFleet.

Building and Asset Services within DHPW are the provider of building repair and maintenance disclosed within (Note B3-2) under Repairs and maintenance.

**G3. First year application of new accounting standards or change in policy**

**Changes in accounting policies - AASB 9 *Financial Instruments***

The department applied AASB 9 *Financial Instruments* for the first time in 2018-19. Comparative information for 2017-18 has not been restated and continue to be reported under AASB 139 *Financial Instruments: Recognition and Measurement*. The nature and effect of the changes as a result of adoption of this new accounting standard are described below:

*Classification and measurement*

Under AASB 9, debt instruments are categorised into one of three measurement bases - amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification is based on two criteria:

- whether the financial asset's contractual cash flows represent 'solely payments of principal and interest', and
- the department's business model for managing the assets.

The department's debt instrument's comprise of receivables disclosed in Note C2 and as they are short-term in nature, the carrying amount is expected to be a reasonable approximation of their fair value.

The department assessed the potential impact of AASB 9 for calculating impairment losses for the department's receivables and did not find a material difference in impairment when compared to the current individually assessed receivables. The impairment losses will be determined according to the amount of lifetime expected credit losses. The department will continue to assess the expected credit losses for receivables by comparing the credit risk at that time to the credit risk that existed when those receivables were initially recognised.

Impairment losses are historically low value and low risk, as trade receivables can include Commonwealth, State and Local government agencies. Other trade receivables are managed with bank guarantees, security deposits and credit management that minimise impairment losses.

**G4. Taxation**

The department is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. GST credits receivable from, and GST payable to the Australian Taxation Office are recognised (refer to Note C2).

**DEPARTMENT OF AGRICULTURE AND FISHERIES**  
**Management Certificate**  
**for the year ended 30 June 2019**

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These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 42 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of Agriculture and Fisheries for the year ended 30 June 2019 and of the financial position of the department at the end of that year

The Director-General, as the Accountable Officer of the Department, acknowledges responsibility under s.8 and s.15 of the *Financial and Performance Management Standard 2009* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



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Mike Richards B.Com., MIPA  
Chief Finance Officer  
Date 30 August 2019



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Dr. Elizabeth Woods  
Director-General  
Date 20 August 2019





## INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of Agriculture and Fisheries

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of the Department of Agriculture and Fisheries.

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2019, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards.

The financial report comprises the statement of financial position and statement of assets and liabilities by major departmental service as at 30 June 2019, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of comprehensive income by major departmental service for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



### Valuation of Land \$109.721 million

Refer to note C3 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>The Department of Agriculture and Fisheries' Land was measured at fair value using the market approach which involves physical inspection and reference to publicly available data on recent sales of similar land in nearby localities.</p> <p>The Department engaged a registered valuer to undertake a specific appraisal of all land holdings at 30 June 2016.</p> <p>Significant judgement was used in arriving at suitable discount rates for the restrictions on reserve land.</p> <p>The fair value of reserve land was derived by discounting the market value of similar land that had no restrictions, and then estimating the discount a willing market participant would make taking into account the restrictions on use.</p> <p>The Department has subsequently performed annual indexations of these valuations. Significant judgement was required in determining the appropriate index.</p>	<p>My procedures for the valuation of Land included, but were not limited to:</p> <p>In 2015-16:</p> <ul style="list-style-type: none"> <li>• Assessing the competence, capability and objectivity of the experts used to develop the valuations.</li> <li>• Obtaining an understanding of the valuers methodology used with reference to common industry practices.</li> </ul> <p>For the periods subsequent to the specific appraisal performed as at 30 June 2016:</p> <ul style="list-style-type: none"> <li>• Evaluating the reasonableness of the index used against other publicly available information about movements in values for unrestricted land that is otherwise similar.</li> <li>• On a sample basis, testing the accuracy of the application of indices to the valuation of land assets.</li> </ul>

### Buildings valuation \$113.588 million and depreciation expense \$5.154 million

Refer to note C3 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>The Department of Agriculture and Fisheries' specialised buildings were measured at fair value at balance date using current replacement cost method that comprises:</p> <ul style="list-style-type: none"> <li>• Gross replacement cost, less</li> <li>• Accumulated depreciation.</li> </ul>	<p>My procedures included, but were not limited to:</p> <p>In 2015-16:</p> <ul style="list-style-type: none"> <li>• Assessing management's controls over the valuation process</li> <li>• Assessing the appropriateness of the process used for measuring gross replacement cost with reference to the department's asset management plans, the unit costs of its recent projects, and common industry practices.</li> </ul>



Key audit matter	How my audit addressed the key audit matter
<p>The Department's Buildings were specifically appraised as at 30 June 2016 and indexed in subsequent years.</p> <p>The Department derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> <li>• identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so, estimating the adjustment to the unit rate required to reflect this difference.</li> <li>• buildings not specific appraised in the current year, indexing unit rates for increases in input costs</li> </ul> <p>The measurement of accumulated depreciation involves significant judgements for estimating the remaining useful lives of assets.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<ul style="list-style-type: none"> <li>• For unit rates:                             <ul style="list-style-type: none"> <li>– Assessing the competence, capability and objectivity of the experts used by the department to develop the unit rate models.</li> <li>– Obtaining an understanding of the methodology used and assessing its appropriateness with reference to common industry practices.</li> <li>– Evaluating on a sample basis the relevance, completeness and accuracy of source data used to derive the unit rate of the:                                     <ul style="list-style-type: none"> <li>• modern substitute (including locality factors and on costs)</li> <li>• adjustment for excess quality or obsolescence.</li> </ul> </li> </ul> </li> </ul> <p>For the periods subsequent to the specific appraisal performed as at 30 June 2016:</p> <ul style="list-style-type: none"> <li>• Evaluating the reasonableness of the index used against publicly available information about movements in values for buildings that is otherwise similar.</li> <li>• Evaluating useful life estimates for reasonableness by:                             <ul style="list-style-type: none"> <li>– Reviewing management's annual assessment of useful lives.</li> <li>– Assessing whether assets still in use have reached or exceeded their useful life.</li> </ul> </li> <li>• Where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.</li> </ul>

### Responsibilities of the department for the financial report

The Accountable Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Accountable Officer is also responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the department or to otherwise cease operations.



### **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the department.
- Conclude on the appropriateness of the department's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the department to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Officer, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



In accordance with s.40 of the *Auditor-General Act 2009*, for the year 30 June 2019:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

A handwritten signature in blue ink, appearing to be 'MF', written over a light blue rectangular background.

23 August 2019

Melissa Fletcher  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

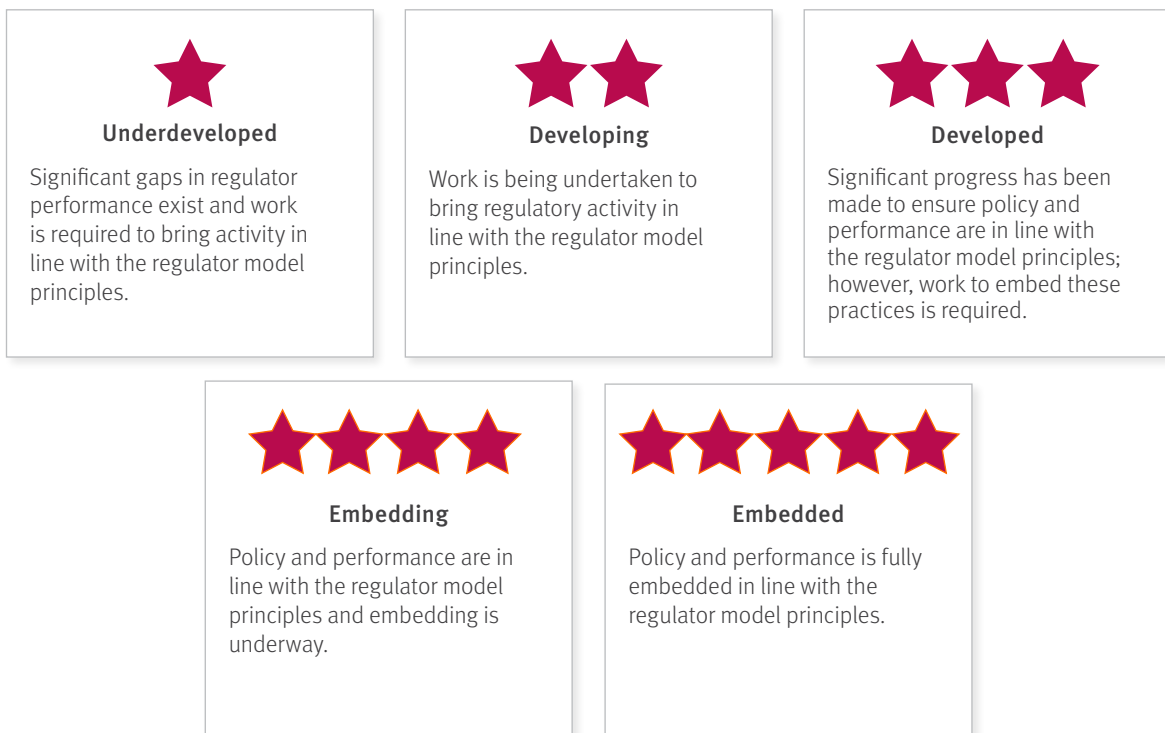
# Appendixes including essential disclosures

## Appendix 1

### Regulator performance framework self-assessment

Business measure: self-audit against the Queensland Government Regulator Performance Framework.

In 2018–19, performance for each of the department's five main regulatory activity areas has been assessed against each of the five model practices and supporting principles (shown in Table A1). These assessments are contained in Tables A2 to A8. DAF's business groups also self-assessed their performance against the regulator model practices using the following star rating system:



Two case studies—one showing an area of success and the other an area for improvement—are also included for each main regulatory activity area.

**Table A1** Regulator model practices and supporting principles

Regulator model practices	Supporting principles
<p><b>1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden</b></p>	<ul style="list-style-type: none"> <li>• A proportionate approach is applied to compliance activities, engagement and regulatory enforcement actions.</li> <li>• Regulators do not unnecessarily impose on regulated entities.</li> <li>• Regulatory approaches are updated and informed by intelligence gathering so that effort is focused towards risk.</li> </ul>
<p><b>2. Consult and engage meaningfully with stakeholders</b></p>	<ul style="list-style-type: none"> <li>• Formal and informal consultation and engagement mechanisms are in place to allow full stakeholder input and government decision-making circumstances.</li> <li>• Engagement is undertaken in a way that helps regulators to develop a genuine understanding of the operating environment of regulated entities.</li> <li>• Cooperative and collaborative relationships are established with stakeholders, including other regulators, to promote trust and improve the efficiency and effectiveness of the regulatory framework.</li> </ul>
<p><b>3. Provide appropriate information and support to assist compliance</b></p>	<ul style="list-style-type: none"> <li>• Formal and informal consultation and engagement mechanisms are in place to allow full stakeholder input and government decision-making circumstances.</li> <li>• Engagement is undertaken in a way that helps regulators to develop a genuine understanding of the operating environment of regulated entities.</li> <li>• Cooperative and collaborative relationships are established with stakeholders, including other regulators, to promote trust and improve the efficiency and effectiveness of the regulatory framework.</li> </ul>
<p><b>4. Commit to continuous improvement</b></p>	<ul style="list-style-type: none"> <li>• Regular review of the approach to regulatory activities, collaboration with stakeholders and other regulators to ensure it is appropriately risk-based, leverages technological innovation, and remains the best approach to achieving policy outcomes.</li> <li>• To the extent possible, reform of regulatory activities is prioritised on the basis of impact on stakeholders and the community.</li> <li>• Staff have the necessary training and support to effectively, efficiently and consistently perform their duties.</li> </ul>
<p><b>5. Be transparent and accountable in actions</b></p>	<ul style="list-style-type: none"> <li>• Where appropriate, regulatory frameworks and time frames for making regulatory decisions are published to provide certainty to stakeholders.</li> <li>• Decisions are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions.</li> <li>• Indicators of regulator performance are publicly available.</li> </ul>

# Agricultural chemicals and veterinary medicines

## Nature of regulation

Agricultural chemicals and veterinary medicines (agvet chemicals) include all chemical products registered by the Australian Pesticides and Veterinary Medicines Authority.

The use of agvet chemicals is regulated to minimise risks to agriculture, health, the environment and trade. Agvet chemical products must be used responsibly and safely. In general, only registered agvet chemical products are to be used and instructions on the product label must be followed. Appropriately choosing and using agvet chemicals protects against loss of markets due to chemical residues in produce, health and safety impacts, resistance in target pests and environmental impacts.

The *Chemical Usage (Agricultural and Veterinary) Control Act 1988* facilitates this by controlling the use of certain chemicals and the use of substances in or on which there is a chemical residue.

The *Agricultural Chemicals Distribution Control Act 1966* controls the distribution of agricultural chemicals from aircraft and ground equipment. This Act ensures that agvet chemicals are distributed responsibly and misuse is minimised.

## Entities regulated

- All users of agvet chemicals and licensed operators of equipment used to distribute agvet chemicals
- Businesses of all sizes and the community in general

## Legislation

- *Chemical Usage (Agricultural and Veterinary) Control Act 1988*
- *Agricultural Chemicals Distribution Control Act 1966*

**Table A2** Assessment of the regulator performance for agvet chemicals

★★★★★	
<b>1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden</b>	
Evidence to support alignment with regulator model practices	Biosecurity Queensland ensures its regulatory approach to agvet chemicals both minimises the burden on regulated entities and is commensurate to risk.
Actions taken to improve regulatory activities and practices to reflect model practices	Risk-based decision-making principles are incorporated into policies and operating procedures.
Examples to highlight alignment, or indicate where business practices could be improved	Compliance strategies are being reviewed to better align with contemporary risk management principles.

(continued)



Table A2 (continued)

**★★★★**

**2. Consult and engage meaningfully with stakeholders**

Evidence to support alignment with regulator model practices	Biosecurity Queensland regularly undertakes consultation with stakeholders to ensure legislative and policy decision-making best reflects the needs and expectations of regulated entities. Formal consultation mechanisms are put in place for legislative matters (i.e. creation or amendment). Biosecurity Queensland leads or provides membership to several national agvet chemical committees whose charter is to improve and harmonise national policy and management issues.
Actions taken to improve regulatory activities and practices to reflect model practices	Biosecurity Queensland conducts consultation with key stakeholders and agvet chemical users on a regular basis. Biosecurity Queensland is an active member of the national Harmonised Agvet Chemical Control of Use Task Group and through this committee is playing a key role in the national harmonisation agenda.
Examples to highlight alignment, or indicate where business practices could be improved	Biosecurity Queensland led the national process to harmonise training and licensing requirements for users of agvet chemicals.

**★★★★**

**3. Provide appropriate information and support to assist compliance**

Evidence to support alignment with regulator model practices	Biosecurity Queensland provides significant documentation on DAF's website to clarify the rules, requirements and obligations for all agvet chemical users in Queensland.
Actions taken to improve regulatory activities and practices to reflect model practices	Biosecurity Queensland consistently ensures timely decision-making and notification of decisions made within statutory time frames for permits, licences and other applications made by regulated entities.
Examples to highlight alignment, or indicate where business practices could be improved	Biosecurity Queensland will continue to increase the number of Facebook followers through digital targeting on a range of biosecurity matters including the responsible use of agvet chemicals.

**★★★★**

**4. Commit to continuous improvement**

Evidence to support alignment with regulator model practices	Biosecurity Queensland is continually improving the way it regulates. The current review of the agvet chemical legislation and its ongoing contribution to the Harmonised Agvet Chemicals Control of Use Task Group (established to oversee the implementation of the national agvet chemical reform agenda) has highlighted a range of matters for improvement.
Actions taken to improve regulatory activities and practices to reflect model practices	Biosecurity Queensland is committed to implementing all nationally agreed reforms for agvet chemical regulation within the agreed time frames. Further reform is also being progressed through consolidation of the agvet chemical legislation in Queensland. Biosecurity Queensland has recognised the need to update its training material for its authorised regulatory officers. Rather than have specific training for each piece of legislation, it was determined that high-level foundational training materials would be developed covering all of the biosecurity legislation. This provides greater clarity for authorised officers, in particular for new recruits.
Examples to highlight alignment, or indicate where business practices could be improved	Targeted training packages are being developed to upskill authorised officers who work in agvet chemical compliance. The recent development of a training module for field officers investigating misuse of agvet chemicals in animal industries is a good example of this work.

(continued)

Table A2 (continued)

★★★★★	
5. Be transparent and accountable in actions	
Evidence to support alignment with regulator model practices	Indicators of regulatory performance for agvet chemical legislation administered by Biosecurity Queensland are communicated on an annual basis to the public.
Actions taken to improve regulatory activities and practices to reflect model practices	Biosecurity Queensland regularly reviews the information on the DAF website to ensure it continues to clarify the rules, requirements and obligations for all agvet chemical users in Queensland.
Examples to highlight alignment, or indicate where business practices could be improved	Biosecurity Queensland investigates complaints made by the public involving the alleged misuse of agvet chemicals and provides investigation reports to relevant parties.

**Case study: An area of success****Single national regulatory framework for the regulation of agvet chemicals**

Queensland Government is a signatory to an intergovernmental agreement for a single national regulatory framework—driven by the Council of Australian Governments (COAG)—for the regulation of agvet chemicals. Under this arrangement, the Australian Government is responsible for the registration of agvet chemicals and Queensland Government, through Biosecurity Queensland, is responsible for controlling the use of these chemicals. Biosecurity Queensland continues to contribute to the national Harmonised Agvet Chemicals Control of Use Task Group, established to oversee the implementation of COAG’s regulatory framework. Biosecurity Queensland also continues to contribute to national working groups that report to this task group to develop implementation plans for the elements of the COAG regulatory model. Some of these reforms have now been endorsed by AGMIN and are being enacted into current Queensland legislation.

**Case study: An area for improvement****Amendments to the Chemical Usage (Agricultural and Veterinary) Control Regulation 2017**

DAF is progressing a range of amendments to the Chemical Usage (Agricultural and Veterinary) Control Regulation 2017 to give effect to the latest reforms resulting from the intergovernmental agreement for the single national regulatory framework for agvet chemicals. These help to provide consistency with nationally agreed harmonised record-keeping and training requirements for the use of restricted chemicals and schedule 7 registered chemical products, which are being implemented as part of reforms agreed at AGMIN in April 2018. Further reform is being progressed through consolidation of the agvet chemical legislation, namely the *Chemical Usage (Agricultural and Veterinary) Control Act 1988* and the *Agricultural Chemicals Distribution Control Act 1966*.



## Animal welfare and management

### Nature of regulation

Animal welfare and management is an important issue for the community both locally and internationally. Queensland Government is committed to ensuring:

- the welfare of all animals in Queensland and the reputation of Queensland's animal industries
- the management of cats and dogs meets public safety and community expectations.

**Animal welfare**—Queensland's animal welfare laws include the *Animal Care and Protection Act 2001* and the Animal Care and Protection Regulation 2012. Biosecurity Queensland, a part of DAF, is the lead agency for the administration of the Act and Regulation and works in partnership with RSPCA Queensland to provide animal welfare services.

**Animal management**—Queensland's current cat and dog management laws include the *Animal Management (Cats and Dogs) Act 2008* and the Animal Management (Cats and Dogs) Regulation 2009. Biosecurity Queensland is the lead agency for the administration of the Act and Regulation. However, the majority of the Act is enforced by local governments within their local areas.

**Brands**—Biosecurity Queensland administers the *Brands Act 1915*, which provides the statutory basis for livestock owners to permanently identify their livestock as their property.

### Entities regulated

**Animal Care and Protection Act 2001**—In Queensland, all persons and organisations that own, care for and use animals for a variety of purposes (including food, fibre, work, education, recreation, companionship, entertainment and scientific purposes) are subject to the provisions of this legislation.

**Animal Management (Cats and Dogs) Act 2008**—In Queensland, all persons and organisations who own or are responsible for a cat or dog, provide microchip registry services, implant a microchip in a cat or dog, spay a cat or dog or supply a cat or dog to another person are subject to the provisions of this legislation.

**Brands Act 1915**—Livestock owners are responsible for registering brands and earmarks and obtaining branding irons and earmarking pliers. Owners must ensure that branding irons are made to the exact shape shown on the certificate of registration and that only approved paints or pastes are used (for pigs, sheep and goats). Brands and earmarks are registered to an entity. Earmarks are registered for use only within a particular district and registration is not automatically transferred with a change of property ownership.

### Legislation

**Animal welfare**—The *Animal Care and Protection Act 2001* provides the regulatory framework to ensure the welfare of animals in Queensland. The purpose of the Act is to:

- promote the responsible care and use of animals
- provide standards for the care and use of animals that
  - achieve a reasonable balance between the welfare of animals and the interests of persons whose livelihood is dependent upon animals
  - allow for the effect of advancements in scientific knowledge about animal biology and changes in community expectations about practices involving animals
- protect animals from unjustifiable, unnecessary or unreasonable pain
- ensure the use of animals for scientific purposes is accountable, open and responsible.

The Act imposes a duty of care obligation on persons in charge of animals, prohibits and regulates certain conduct, regulates certain surgical procedures and provides for the registration of certain users of animals for scientific purposes and compliance with the scientific use code.

The Regulation details the standards for the care and use of different animal species in Queensland. These are based on nationally accepted animal welfare codes of practice and standards and guidelines.

**Animal management**—The *Animal Management (Cats and Dogs) Act 2008* provides the regulatory framework for cats and dogs in Queensland to be managed to ensure public safety and to meet community expectations. The purpose of the Act is to:

- provide for the identification of cats and dogs
- provide for the registration of dogs
- provide for the effective management of regulated dogs
- promote the responsible ownership of cats and dogs
- promote the responsible breeding of dogs.

**Brands**—The *Brands Act 1915* makes branding compulsory for cattle and pigs when they are offered for sale in Queensland. Exemptions apply for approved stud cattle sales and calves under 100 kg live weight. Cattle bred, raised, fattened and slaughtered and ‘sold over the hook’ within one ownership are exempt from branding. There is also exemption for cattle taken directly to slaughter from another state or territory if they have been purchased ‘over the scales’ at a feedlot in Queensland and are kept at a registered feedlot in Queensland until slaughter. Interstate cattle sold in Queensland must still be branded.

The Brands Regulation 2012 prescribes the types of brands that can be registered and the fees payable for registration of these brands.

**Table A3** Assessment of the regulator performance for animal welfare

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**★★★★★**


**1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden**

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<p>Evidence to support alignment with regulator model practices</p>	<p>Biosecurity Queensland proactively monitors and reviews its animal welfare regulatory activities to ensure they are proportionate and reasonable, and address the level of risk associated with the care and use of animals in Queensland.</p> <p>The Act minimises the unnecessary burden on regulated parties by not affecting the application of certain other Acts including the <i>Nature Conservation Act 1992</i>, the <i>Fisheries Act 1994</i>, the <i>Racing Act 2002</i> and the <i>Racing Integrity Act 2016</i>.</p> <p>The Act aims to align with nationally endorsed standards in animal welfare through adoption of nationally agreed standards and guidelines for livestock species.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>The Animal Welfare Advisory Board has been established to provide informed advice on animal welfare matters, balancing scientific intelligence and community expectations in decision-making on regulatory matters.</p> <p>Biosecurity Queensland continues to support the ongoing process of converting existing animal welfare codes of practice into regulatory-ready animal welfare standards and guidelines following adoption by the agricultural ministers.</p> <p>Biosecurity Queensland developed its own compliance and enforcement guidelines. The document outlines its strategic objectives, guiding principles, roles and responsibilities and considerations for achieving compliance.</p> <p>The <i>Animal welfare investigations operational procedures and guidelines manual</i> provides appointed inspectors and authorised persons with specific guidance around their powers under the Act.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>Following the finalisation of the Australian Animal Welfare Standards and Guidelines for Cattle and Sheep (2016) and Australian Animal Welfare Standards and Guidelines for Saleyards and Depots (2018), Biosecurity Queensland is finalising the drafting of these standards to be included in the Regulation.</p> <p>The Australian Animal Welfare Standards and Guidelines for Land Transport of Animals were adopted into regulation in 2014 and are being enforced by animal welfare inspectors appointed under the Act.</p> <p>Biosecurity Queensland is a member of the Standards Writing Group and the Stakeholder Advisory Group for the development of the Australian Animal Welfare Standards and Guidelines for Poultry.</p>

(continued)

Table A3 (continued)

 <b>2. Consult and engage meaningfully with stakeholders</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland undertakes both formal and informal consultation and engagement processes with animal industries and their advocacy groups, animal welfare groups and the general community on animal welfare issues. Animal welfare attracts a significant amount of ministerial correspondence annually.</p> <p>With nationally agreed animal welfare standards, Biosecurity Queensland recognises the importance of playing an active role in engaging with other state and territory governments and the federal Department of Agriculture to ensure the harmonisation of animal welfare outcomes nationally.</p> <p>It also holds regular meetings with its regulatory partner, RSPCA Queensland, to discuss animal welfare policy and enforcement issues and holds ongoing training workshops for inspectors.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Biosecurity Queensland communicates with stakeholders and the general community through a number of methods including social media, web content, face-to-face workshops, teleconferences/Skype meetings, written format and one-on-one meetings.</p> <p>It utilises existing government platforms for conducting public consultation processes.</p> <p>Biosecurity Queensland also makes amendments to the Act and Regulation to ensure the legislation remains contemporary and agile to meet community and industry expectations.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>Biosecurity Queensland is represented on a range of animal welfare-related groups, for example:</p> <ul style="list-style-type: none"> <li>• Animal Welfare Task Group</li> <li>• Animal Welfare Research, Development and Extension Group</li> <li>• poultry animal welfare standards and guidelines writing and stakeholder groups</li> <li>• National Health and Medical Research Council's Ban on Cosmetic Testing on Animals Committee.</li> </ul> <p>Biosecurity Queensland is progressing the development of Queensland standards for animals used in rodeos in consultation with key stakeholders and community groups in response to community concerns regarding certain events (calf roping and chute dogging) and animal welfare considerations generally in rodeos.</p>

(continued)


Table A3 (continued)

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<b>3. Provide appropriate information and support to assist compliance</b>	
Evidence to support alignment with regulator model practices	Biosecurity Queensland assists stakeholders to comply with the Act by providing appropriate information such as policy positions and other relevant documentation including forms, templates and fact sheets on its various websites. Stakeholders can also contact relevant DAF officers via the DAF Customer Service Centre by email or telephone and through various extension activities to make enquiries. Social media and targeted educational campaigns are used to communicate messages to ensure compliance with specific aspects of the Act.
Actions taken to improve regulatory activities and practices to reflect model practices	Biosecurity Queensland regularly reviews existing information to ensure its currency, determines whether additional information is required, assesses the accessibility of this information and explores other avenues of communication such as social media and apps.
Examples to highlight alignment, or indicate where business practices could be improved	Biosecurity Queensland provides novel extension activities (such as webinars) to disseminate information to key stakeholders about significant changes to the legislation. Web-based information is provided on key compliance requirements and targeted and informative social media posts are regularly posted on topical subjects.

★★★★★	
<b>4. Commit to continuous improvement</b>	
Evidence to support alignment with regulator model practices	Biosecurity Queensland is committed to continually improving the way it regulates animal welfare in Queensland.  It holds regular meetings with its regulatory partner, RSPCA Queensland, to discuss animal welfare policy and enforcement issues and holds ongoing training workshops for inspectors.
Actions taken to improve regulatory activities and practices to reflect model practices	In 2016, the animal welfare functions of Biosecurity Queensland were subject to review by the QAO.  The ongoing development and implementation of the Biosecurity Online Resources and Information System and supporting policies and procedures has enabled Biosecurity Queensland to effectively and efficiently track and report on its animal welfare-related responsibilities under the Act.
Examples to highlight alignment, or indicate where business practices could be improved	Following the QAO report, Biosecurity Queensland implemented: <ul style="list-style-type: none"> <li>• defined mandatory training requirements for inspectors</li> <li>• a structured program of training over key minimum mandatory requirements including investigative and legislative requirements</li> <li>• a centralised training register that captures key dates and attendance of inspectors.</li> </ul> Biosecurity Queensland is currently reviewing and redeveloping the training package for animal welfare inspectors to ensure contemporary training and regulatory practices for inspectors appointed under the Act.

(continued)

Table A3 (continued)

 <b>5. Be transparent and accountable in actions</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland is transparent and accountable in its actions by reporting regularly to the public on a range of issues, both specific and general. To ensure regulatory decisions are made in a timely manner, the Act provides for legislated time lines in which a decision must be made. Decisions made under the Act are subject to both internal and external review.</p> <p>Resources such as standard operating procedures, templates and training have been developed for use by the delegated decision-makers in Biosecurity Queensland. These include examples of the type and level of information that decision-makers should provide in their decisions and the requirements for a review.</p> <p>Indicators of regulatory performance in relation to animal welfare are published in DAF's annual report.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Biosecurity Queensland and RSPCA Queensland have a 3-year activity agreement in place. The agreement sets out the financial support provided to RSPCA Queensland for its inspectorate as well as conditions under which both parties operate, including the requirement for an annual report.</p> <p>In 2017, Biosecurity Queensland established a memorandum of understanding with RSPCA Queensland and QRIC to ensure the appropriate sharing of information relating to animal welfare incidents and the referral of animal welfare matters that lie within their jurisdiction.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>All internal reviews were completed within the required time frames. Information notices (where required) were provided, outlining the decision-making process, matters taken into consideration and findings of fact.</p>



### Nationally endorsed animal welfare standards

Biosecurity Queensland is committed to the development of nationally consistent standards and guidelines for livestock species.

Biosecurity Queensland provides input to the redevelopment of standards through participation in the writing and stakeholder advisory group stages.

Biosecurity Queensland also participates in the national Animal Welfare Task Group, which drives the development of the standards and reports on outcomes to the Agriculture Senior Officials Committee and to AGMIN.

DAF is committed to supporting the national process and to adopting new endorsed standards as mandatory requirements under regulation.



### Case study: An area for improvement

#### Development of the rodeo standards

Biosecurity Queensland is progressing the development of the Queensland animal welfare standards and guidelines for animals used at rodeos, in consultation with key stakeholders and community groups.

The welfare of animals in rodeos is a contentious issue and generates significant correspondence to the Minister from the community and animal welfare advocacy groups about certain events (calf roping and chute dogging) and animal welfare considerations generally in rodeos.

Following advice from the Animal Welfare Advisory Board and the Minister, DAF established a working group (with an independent chair) to develop Queensland animal welfare standards and guidelines for animals used at rodeos.

Draft standards and guidelines have been developed and are being progressed through a stakeholder advisory group comprising rodeo industry members, animal welfare groups, the RSPCA, the Australian Veterinary Association and government officers.

Once finalised, the standards will be adopted as a compulsory requirement under the Act, providing further safeguards for the welfare of animals used at rodeos.



Table A4 Assessment of the regulator performance for animal management—cats and dogs

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★★★★


**1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden**

Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland works with local governments to ensure cat and dog management regulatory activities are proportionate and reasonable, and address the level of risk associated with the care and use of these animals in Queensland.</p> <p>The Act minimises the unnecessary burden on regulated parties by allowing organisations that accredit dog breeders to apply to become approved entities and, if approved, exempting their members from the statewide dog breeder registration.</p> <p>The Act does not prescribe dog and cat registration fees or the number of cats or dogs that may be kept at a particular location. These are set by local governments under their local laws.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Biosecurity Queensland continues to support local governments to introduce local laws that ensure animal management meets their community’s specific expectations.</p> <p>Biosecurity Queensland has developed regulatory policies outlining the areas of responsibility for local governments and Queensland Government under the Act.</p> <p>It has also developed its own compliance and enforcement guidelines. The document outlines its strategic objectives, guiding principles, roles and responsibilities and considerations for achieving compliance.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>The current Regulations are due to end in September 2019. Biosecurity Queensland is currently rewriting the Regulation. Local governments have been consulted throughout the process. This resulted in proposed changes to the Regulation aimed to achieve greater consistency for the management of regulated dogs, including more detailed specifications for regulated dog enclosures.</p> <p>Biosecurity Queensland engaged local governments and other key stakeholders during the development and implementation of the <i>Animal Management (Protecting Puppies) and Other Legislation Amendment Act 2016</i>. This has resulted in high levels of compliance with the new laws. Over 27 000 dog breeders have registered on the Queensland Dog Breeder Register since the new laws commenced on 26 May 2017.</p>

(continued)

Table A4 (continued)

 <b>2. Consult and engage meaningfully with stakeholders</b>	
<p>Evidence to support alignment with regulator model practices</p>	<p>Biosecurity Queensland undertakes both formal and informal consultation and engagement processes with local governments, cat and dog enthusiast groups, animal welfare groups and the general community about cat and dog management issues. Cat and dog management attracts a significant amount of ministerial correspondence annually.</p> <p>Biosecurity Queensland recognises the importance of local governments in cat and dog management. It plays an active role in engaging local governments to build networks and ensure the Act continues to meet the needs of the Queensland community. Biosecurity Queensland also attends regular meetings with local governments to discuss animal management policy and enforcement issues.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>Biosecurity Queensland communicates with stakeholders and the general community via a number of methods, including social media, web content, face-to-face workshops, teleconferences/Skype meetings, in writing and one-on-one meetings. It uses existing government platforms for conducting public consultation processes.</p> <p>Biosecurity Queensland makes amendments to the Act and Regulation to ensure the legislation remains contemporary and agile to meet community and local government expectations.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>Representatives from Biosecurity Queensland sit on a range of animal management-related groups, including the:</p> <ul style="list-style-type: none"> <li>• South East Queensland Regional Animal Management Group</li> <li>• Dog Breeder Governance Group</li> <li>• Animal Registries Working Group.</li> </ul> <p>Biosecurity Queensland regularly consults with key stakeholders to identify and prioritise amendments to the Act and Regulation.</p>

 <b>3. Provide appropriate information and support to assist compliance</b>	
<p>Evidence to support alignment with regulator model practices</p>	<p>Biosecurity Queensland assists stakeholders with compliance with the Act by providing appropriate information, including policy positions and other relevant documentation (such as forms, templates and fact sheets) on its various websites.</p> <p>Local government officers and other stakeholders can also contact relevant DAF officers via the DAF Customer Service Centre by email or telephone and through various extension activities to make enquiries.</p> <p>Social media and targeted educational campaigns are used to communicate specific messages to ensure compliance with specific aspects of the Act.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>Biosecurity Queensland regularly reviews existing information to ensure its currency, determines whether additional information is required, assesses the accessibility of this information and explores other avenues of communication such as social media and apps.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>Web-based information is provided on key compliance requirements. Targeted and informative social media posts are regularly posted on varied and topical subjects.</p> <p>Biosecurity Queensland also provides local government officers and PPID (microchip) registries with the opportunity for one-on-one discussions to help address specific issues that arise during enforcement of the Act and in achieving compliance with the Act and Regulation.</p>

(continued)

Table A4 (continued)

★★★★	
<b>4. Commit to continuous improvement</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland is committed to continually improving cat and dog management in Queensland.</p> <p>Biosecurity Queensland holds regular meetings with local governments and other key stakeholders to discuss cat and dog management issues. It encourages local governments to provide written submissions for legislative amendments that aim to achieve greater efficiencies for cat and dog management in Queensland.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>In 2016, Biosecurity Queensland ensured that the Queensland Dog Breeder Register enabled dog breeders to register and renew their registration online, but also allowed for manual registrations and renewals for people without internet access.</p> <p>Biosecurity Queensland continues to monitor the performance of the register and consult with stakeholders about its efficiency through the Dog Breeder Governance Group and South East Queensland Regional Animal Management Group.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>The Queensland Dog Breeder Register portal allows dog breeders to register and manage their registration details online. It has been extremely successful, with over 90% of the registered 27 000-plus dog breeders doing so through the portal, without DAF's direct involvement.</p> <p>Biosecurity Queensland is committed to continually improving the register.</p>

★★★★	
<b>5. Be transparent and accountable in actions</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland is transparent and accountable in its actions by reporting regularly to the public on a range of issues, both specific and general.</p> <p>To ensure regulatory decisions are made in a timely manner, the Act provides for legislated time lines in which a decision must be made. Decisions made under the Act are subject to both internal and external review.</p> <p>Biosecurity Queensland has assisted local governments in their responsibilities by providing resources such as standard operating procedures and templates. Biosecurity Queensland has input into training packages for local governments.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Biosecurity Queensland ensures transparency and accountability in all its actions under the Act and Regulation. This is achieved through the development of standard operating procedures and policies for compliance.</p> <p>Biosecurity Queensland ensures local governments receive concerns about dog breeders that are entered in the Queensland Dog Breeder Register through direct referral to enhance efficiencies in regulatory action.</p> <p>Biosecurity Queensland assists local governments in being responsible for ensuring transparency and accountability in all their actions under the Act and Regulation by providing assistance in interpretation of the Act and Regulations.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>Concerns regarding dog breeders that are entered in the Queensland Dog Breeder Register are automatically referred to the relevant local government for consideration. The register maintains a record of when the concern was received and by whom.</p>

### Case study: An area of success



#### Queensland Dog Breeder Register

Biosecurity Queensland developed the Queensland Dog Breeder Register as a tool to implement amendments to the Act that were introduced by the *Animal Management (Protecting Puppies) and Other Legislation Amendment Act 2016*.

The register allows dog breeders to register and manage their details online without DAF input. It is supported by manual registration for people without internet access. However, the vast majority (more than 90%) of breeders choose to register and renew online.

The register issues a breeder identification number (BIN) to the breeder when they register. The BIN must be used when advertising or supplying a dog to another person.

The register enables prospective dog owners to confirm the BIN for the dog and contact the person who bred it. This provides a level of assurance for a potential owner to be able to ask questions about the dog or pup, its parentage and how it was bred.

The register also allows members of the public to enter concerns about a dog or dog breeder. Concerns regarding breaches to the Act are automatically referred to the relevant local government for consideration. Animal welfare concerns about a dog breeder are automatically referred to either the RSPCA or DAF for action.

The register has empowered the community to ensure that dogs are bred responsibly and dog breeders who are doing the wrong thing are identified to allow regulatory action to be taken in a timely manner.

### Case study: An area for improvement



#### Approved entity under the Act

The amendments to the Act that were introduced by the *Animal Management (Protecting Puppies) and Other Legislation Amendment Act 2016* provide for an organisation that accredits dog breeders and meets other requirements to be prescribed as an approved entity under the Regulation. Accredited members of an approved entity are exempt from the statewide breeder registration.

The intent of the approved entity provision was to reduce the regulatory burden on dog breeders who are accredited by organisations with large numbers of breeders or are permitted or licensed as dog breeders under a local law.

Biosecurity Queensland did not anticipate organisations with few breeders (less than 10) applying to become approved entities to gain 'recognition' of their 'breed' similar to that of pedigree dogs.

DAF must consider the resource requirements to maintain the approved entity in proportion with the benefit to the organisation's members.

DAF is currently undertaking a cost-benefit analysis for approved entities. This will help to ensure DAF achieves the correct balance for resources required and regulatory burden when assessing approved entity applications.

Table A5 Assessment of the regulator performance for brands

★★★★★	
<b>1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden</b>	
Evidence to support alignment with regulator model practices	<p>The legislation provides a statutory basis for livestock owners to permanently identify their livestock as their property. However, the legislation takes a proportionate approach by mandating owners to brand cattle over 100 kg and pigs over 30 kg only, and only if they are offered for sale. The branding of horses, sheep, goats, llamas, alpacas and camels is also voluntary.</p> <p>The legislation provides a basis for owners to identify their stock and protect their livestock from theft, rather than impose unnecessary restrictions or burden on them.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	
Examples to highlight alignment, or indicate where business practices could be improved	
★★★★★	
<b>2. Consult and engage meaningfully with stakeholders</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland has consulted with the key stakeholders on the efficacy and efficiency of the legislation. The legislation has been in place since 1915. Industry has advised that it continues to provide owners with a meaningful methodology for identifying their stock and reducing theft. Industry has also indicated that the brands they currently have sometimes date back over 100 years and they provide family legacies as well as a trademark for the family products.</p> <p>Biosecurity Queensland has also consulted with the Queensland Police Service to clarify that they refer to brands as a method for building a case for stock theft.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	
Examples to highlight alignment, or indicate where business practices could be improved	

(continued)

Table A5 (continued)



### 3. Provide appropriate information and support to assist compliance

Evidence to support alignment with regulator model practices	<p>DAF's website provides clear information about who needs a brand, how to apply for a brand, the position on the animals where branding should be applied, how to insert earmarks and the penalties associated with non-compliance.</p> <p>In recognition that purchased cattle are often cross-branded incorrectly, leaving the purchaser open to prosecution or having no legal claim to the purchased stock, DAF's website explains how to cross-brand correctly.</p> <p>Consistent advice is provided to manufacturers and suppliers of branding irons and earmarking pliers to ensure they produce the relevant tools to correct specifications.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	
Examples to highlight alignment, or indicate where business practices could be improved	



### 4. Commit to continuous improvement

Evidence to support alignment with regulator model practices	<p>An experienced and dedicated team in Biosecurity Queensland receives and processes up to 1500 brands applications annually. This includes brands for cattle, horse, sheep and pig earmarks and also applications where clients can transfer the ownership of a brand to another person.</p> <p>Performance of the application processing team is monitored and, where necessary, improved business processes are implemented to provide the best possible service to the client.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>A person wishing to register a brand can search on DAF's iBrands database to determine whether the brand they want to register is already registered. The iBrands database has been enhanced to make it more user-friendly for customers.</p> <p>Improvements have also been made to the current Animal Identification System database to make it more compatible with Windows 10 (DAF's new operating system).</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>Further adjustments will be made to the iBrands database to improve data transfer between the Animal Identification System and iBrands.</p>



### 5. Be transparent and accountable in actions

Evidence to support alignment with regulator model practices	<p>DAF's iBrands database allows clients to access current brands before deciding on the brand they want to register. DAF's website shows the period of time it is currently taking to process a brands application. Staff work closely with applicants to ensure they are fully informed about the brands they want to register, including feasibility of registration.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Clients were informed via DAF's website that the processing time for a brand application was up to 100 working days. DAF acknowledged that 100 days was unacceptable and, through concentrated efforts and new processes, significantly reduced the backlog and decreased the number of processing days to less than 50.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>DAF will continue to monitor the application processing time and ensure it is maintained at acceptable levels.</p>

## Biosecurity

### Nature of regulation

Biosecurity Queensland (DAF) leads Queensland Government's efforts to prevent, respond to and recover from pests and diseases threatening agricultural prosperity, the environment, social amenity and human health. This is achieved by maintaining market access, dealing with pests and diseases and reducing the risk of contamination from agricultural chemicals.

Biosecurity Queensland operates in a diverse environment comprised of many different industries and enterprises in the primary and secondary production sectors. The key piece of legislation administered by Biosecurity Queensland is the *Biosecurity Act 2014*.

### Entities regulated

The Act imposes obligations on everyone to take all reasonable and practical measures to deal with biosecurity risks. Biosecurity Queensland deals with this requirement through appropriate communication, education, surveillance, compliance and enforcement commensurate to the level of risk posed by the issue.

While the Act applies to everyone, stakeholders who are most likely to be regulated are farmers, industries associated with farming of livestock and plant produce, and rural landowners. However, people who enter farms, rural properties and places where farm animals are kept are also regulated. Further, there are specific obligations on people who deal with prohibited matter, restricted matter or biosecurity matter identified under the Act. The communication with stakeholders and government actions taken relating to these matters are proportionate to the risks posed by the matters.

Other obligations and offences under the Act include animal tracing requirements, restrictions on feeding animals and reporting notifiable incidents such as cattle with certain clinical signs or high numbers of livestock deaths.

The legislation applies to businesses of all sizes and to the community in general.

### Legislation

- *Biosecurity Act 2014*
  - Provides a framework for an effective biosecurity system for Queensland that helps to minimise biosecurity risks.
  - Facilitates response to biosecurity events in a timely and effective way and ensures the safety and quality of animal feed, fertilisers and other agricultural inputs.
  - Ensures biosecurity matters align with national and international obligations and requirements for accessing markets for animal and plant produce.
- Biosecurity Regulation 2016
  - Operationalises the Act, particularly around methods to meet a person's general biosecurity obligation.



**Table A6** Assessment of the regulator performance for biosecurity



**1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden**

<p>Evidence to support alignment with regulator model practices</p>	<p>Biosecurity Queensland ensures its regulatory approach both minimises the burden on regulated entities and is commensurate to risk. The commencement of the <i>Biosecurity Act 2014</i> in 2016 has helped Biosecurity Queensland align its activities to the supporting principles of proportionate and informed regulatory approach and reduction of burden.</p> <p>The Act streamlines eight previous Acts and consolidates the requirements for issues across plant and animal biosecurity and invasive species. The most stringent requirements are applied to biosecurity emergencies, given the impact that a high-risk biosecurity matter can cause to the economy, social amenity and the environment. Matters of moderate to high risk have clear obligations and restrictions applied to them, while those of low to medium risk are dealt with through other proportionate measures.</p> <p>This risk-based nature of the Act and the general biosecurity obligation underpinning the legislation mean that no particular group of stakeholders is unnecessarily burdened. Everyone has an obligation to appropriately deal with biosecurity risks they know or ought to know about. The Act, Regulation and codes of practice provide ways in which a person must meet their obligation for specific risks.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practice</p>	<p>The Biosecurity Regulation 2016 was rapidly amended in April 2019 following an increase in unauthorised access to animal production and processing facilities. This amendment clarified that anyone entering a property with a designated animal on it must follow the requirements outlined in the property’s biosecurity management plan to meet their general biosecurity obligation.</p> <p>Penalty infringement notices (on-the-spot fines) were introduced for a range of offences under the Act and Regulation. This reduces the regulatory burden on government and stakeholders by reducing the resourcing of court time and costs.</p> <p>Provisions for third-party accreditation schemes exist under the Act. Since 2008, Biosecurity Queensland has worked with Nursery and Garden Industry Australia to assist in the development of the industry’s own biosecurity accreditation scheme, BioSecure HACCP, for interstate market access. In September 2018, BioSecure HACCP became the first approved third-party biosecurity accreditation scheme under the Act and is expected to prompt the development of other industry-led schemes. Third-party accreditation reduces the burden on biosecurity officers in dealing with government-managed accreditations and allows greater flexibility and reduced costs to those accredited.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>In its third year of operation (2018–19), the Act was reviewed to assess its efficiency and efficacy. The review indicated that the Act is performing well. However, some improvements are needed moving forward:</p> <ul style="list-style-type: none"> <li>• Further clarify requirements under biosecurity emergency provisions.</li> <li>• Move some Act provisions into the Regulation to provide greater flexibility.</li> <li>• Improve stakeholder communications on the general biosecurity obligation, particularly focusing on the needs of certain stakeholder groups.</li> <li>• Improve the authorised officer training, particularly risk-based decision-making methodology and risk assessment practice.</li> </ul>

(continued)

Table A6 (continued)

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<b>2. Consult and engage meaningfully with stakeholders</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland regularly undertakes consultation with stakeholders to ensure legislative and policy decision-making best reflects the needs and expectations of regulated entities. Formal consultation mechanisms are put in place for legislative matters (i.e. creation or amendment). For other issues, including discussion of particular matters, Biosecurity Queensland leads or provides membership to a multitude of committees for a range of activities in biosecurity, animal and plant health, agvet chemical management and management of invasive species. Biosecurity Queensland also employs or supports three industry liaison officers who communicate and coordinate a range of activities with plant and animal biosecurity industries and local governments.</p> <p>Biosecurity Queensland has cooperative and collaborative relationships with industry, community and other government agency groups. This is reflected in the range of shared activities including cost-sharing of biosecurity responses, collaborative initiatives, and research and development projects to boost biosecurity capability and preparedness. For example, a project is currently being delivered by Biosecurity Queensland and the state's sea ports to boost marine pest preparedness in Queensland. Similarly, collaborative research into optimising pest detection and understanding pest spread is furthering biosecurity outcomes.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Biosecurity Queensland has consulted with the key stakeholders (industry groups and local governments) to seek feedback on a review of the Act in its third year of operation (2018–19).</p> <p>Biosecurity Queensland consults with key biosecurity partners at annual Biosecurity Partners forums. The forums provide a platform for biosecurity partners to collaborate on the development of action plans under the <i>Queensland biosecurity strategy: our next five years 2018–2023</i> and importantly help to further partnerships between government, industry, universities and other key groups in the biosecurity system.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>The new Biosecurity Queensland Ministerial Advisory Council (BQMAC), with membership comprising leaders in the biosecurity system and industry, will enhance a partnership role and provide leadership, development, implementation and monitoring of action plans under the <i>Queensland biosecurity strategy: our next five years 2018–2023</i>. The BQMAC will be appointed in the second half of 2019.</p>

(continued)

Table A6 (continued)




### 3. Provide appropriate information and support to assist compliance

<p>Evidence to support alignment with regulator model practices</p>	<p>Biosecurity Queensland provides significant documentation on the DAF website to clarify the rules, requirements and obligations under the Act.</p> <p>DAF is committed to ensuring that all Queenslanders have fair access to programs and services regardless of cultural, language and religious backgrounds, and physical ability. A range of materials in a variety of languages have been produced to ensure biosecurity rules and regulations can be understood by all. DAF also has a language services policy and process for engaging accredited interpreters.</p> <p>Contestability and flexibility for the private sector has been fostered through compliance agreements and industry accreditation schemes, which leverage industry knowledge about best practice risk management for its particular circumstances. Compliance agreements enable a person to self-manage risks associated with their business activities.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>The most cost-beneficial method of communicating to the general public is through social media. In 2018–19, Biosecurity Queensland increased the number of Facebook followers to approximately 57 000. Also, targeted social media campaigns are ongoing to share biosecurity news, helpful information and activities led by Biosecurity Queensland and its collaborators (see case study on page 168).</p> <p>In September 2018, BioSecure HACCP (owned and operated by Nursery and Garden Industry Australia) became the first approved third-party biosecurity accreditation scheme under the Act. This shows that industry is supporting self-compliance and recognising its key role in shared biosecurity.</p> <p>Biosecurity Queensland consistently ensures timely decision-making and notification of decisions made within statutory time frames for permits, licences and other applications made by regulated entities.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>Biosecurity Queensland will continue to increase the number of Facebook followers through digital targeting on a range of biosecurity matters, including how individuals can meet their general biosecurity obligation under the Act. The goal is over 100 000 followers by 2020.</p> <p>A third-party auditing system will reduce the burden on government and provide an alternative option for industry for auditing services.</p>

(continued)

Table A6 (continued)

 <b>4. Commit to continuous improvement</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland is continually improving the way it regulates. The Act's review in 2018–19 highlighted a range of matters for improvement, including training, communications and administration.</p> <p>Commitment to continual improvement of the state's biosecurity system is also demonstrated through a collaborative governance approach under the biosecurity strategy.</p> <p>In 2014, a review of biosecurity capability was undertaken for the entire system (including internally). Biosecurity Queensland is incorporating the learnings from that review and continues to implement recommendations through a variety of capability projects to enhance internal and external capability and preparedness. Further, hosting of the strategy and action planning at annual partner forums facilitates collaboration, discussion and shared decision-making for prioritisation of improvements to stakeholder experience and the reduction of burden.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Biosecurity Queensland recognised the need to update its training material for authorised officers. As a result, instead of having specific training for each piece of legislation, high-level foundational training materials will be developed covering all biosecurity legislation. This will provide greater clarity for authorised officers, and in particular for new recruits.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>A significant package of 10 training modules was developed as part of the Act implementation program 3 years ago. However, review of the Act in 2018–19 identified the need to update the training package to address issues relating to understanding of the general biosecurity obligation and risk-based decision-making.</p>

 <b>5. Be transparent and accountable in actions</b>	
Evidence to support alignment with regulator model practices	<p>Biosecurity Queensland is transparent in its actions by reporting regularly to the public on a range of issues, both specific and more general.</p> <p>Biosecurity maps published by the Director-General define the areas of biosecurity zones identified under the Act. Similarly, the creation and updating of biosecurity programs is communicated to the public by notification within statutory time frames.</p> <p>Decisions made under the Act are subject to both internal and external review. Templates and training have been developed for use by all decision-makers in Biosecurity Queensland. These include examples of the type and level of information that decision-makers should provide in their decisions and what is needed for a review. All internal reviews were completed within the required time frames. Indicators of regulatory performance by Biosecurity Queensland are communicated annually to the public.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>A system for the issuance of biosecurity penalty infringement notices (on-the-spot fines) was implemented in 2018–19. Information on this system was published on the DAF website to assist stakeholder awareness of the new enforcement tool.</p>
Examples to highlight alignment, or indicate where business practices could be improved	

**Case study: An area of success**

### Registered biosecurity entity system for notification of biosecurity emergencies



In early 2019, Biosecurity Queensland delivered the new, online Biosecurity Entity Registration Portal to manage the registration and renewal of biosecurity entities who keep livestock, bees, horses and poultry. More than 26 000 animal owners and beekeepers were registered as at 30 June 2019.

Over 5000 Queensland beekeepers were notified when varroa mites (on Asian honeybees) were detected at the Port of Townsville in May 2019. This was the first notification to be sent to registered biosecurity entities using the portal to inform them of a biosecurity threat and to encourage monitoring of their hives. Varroa mite is a significant threat to the bee industry and early detection is essential to make containment of the mite possible.

The portal was again used to notify cattle owners of a cattle tick infestation in the tick-free zone. The system allowed Biosecurity Queensland to rapidly identify owners of properties at risk, inform them of the potential risk and advise them on how to manage the risk.

The portal makes it easier for entities to register and update their details and in turn helps Biosecurity Queensland communicate directly with them and act quickly in a biosecurity response.

**Case study: An area for improvement**

### Better e-engagement through digital targeting



In an age where social media is becoming the key communication platform, Biosecurity Queensland has been working to transform its social media presence and sentiment to ensure effective engagement, education and awareness. Content design and delivery have been tailored to suit certain interest groups and geographic areas across a range of issues, allowing targeted material to reach relevant stakeholders.

Campaigns in 2018–19 included miconia, white spot disease, fire ants, electric ants, citrus canker, brown marmorated stink bug, registered biosecurity entities and Panama disease tropical race 4.

The successful application of digital targeting is reflected in the strong continual increase in followers of Biosecurity Queensland's social media channels, particularly Facebook. The Facebook following has almost tripled since the campaign commenced in January 2018, with almost 60 000 followers at 30 June 2019.

Biosecurity Queensland is continuing to invest in digital targeting with the goal to reach 100 000 followers by 2020. With increased influence through this engagement, Biosecurity Queensland can build other capacities within the community, including passive surveillance and increased uptake of preparedness activities.

## Fisheries management

### Nature of regulation

DAF administers the *Fisheries Act 1994*, which governs the use of Queensland's fisheries resources and protection of fisheries habitats, and sets out the department's responsibilities for the ecologically sustainable development of the state's fisheries.

Fisheries Queensland leads the development of the policy framework within DAF that supports the operation of the Act to protect and conserve fisheries resources, while maintaining profitable commercial and enjoyable recreational fishing sectors.

### Entities regulated

The Act specifically provides for the:

- management of commercial, charter, recreational and Indigenous fishing
- management of aquaculture
- management and protection of fish habitats
- management of a shark control program.

Queensland's compliance is implemented and enforced by QBFP, an organisational unit within Fisheries Queensland.

### Legislation

Access to Queensland's fisheries is managed through the Act and the Fisheries Regulation 2008, the Fisheries Declaration 2019 and the Fisheries Quota Declaration 2019.

**Table A7** Assessment of the regulator performance for fisheries management

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**1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden**

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<p>Evidence to support alignment with regulator model practices</p>	<p>Fisheries Queensland plans compliance activities to ensure resources are used effectively and efficiently. Resources are allocated to strategies that focus on addressing the highest compliance risks. QBFP ensures a high level of compliance with Queensland’s fishing rules and regulations.</p> <p>QBFP adopts a number of strategies for detecting and monitoring non-compliance:</p> <ul style="list-style-type: none"> <li>• intelligence and information gathering through audit and field surveillance</li> <li>• patrols and inspections</li> <li>• partnering with agencies such as the Great Barrier Reef Marine Park Authority to enforce Queensland fisheries legislation and marine park legislation.</li> </ul> <p>Fisheries Queensland ensures that the degree and type of compliance action taken to address an alleged offence is commensurate with the nature and severity of the non-compliance and represents value for money.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>The <i>Queensland sustainable fisheries strategy 2017–2027</i> identified a range of actions to strengthen the department’s fisheries compliance efforts.</p> <p>The Act was amended in early 2019 to provide the legislative foundations needed to reform Queensland’s fisheries in line with the strategy.</p> <p>The amendments included provisions that deliver stronger compliance powers and penalties for serious offences such as seafood black-marketing and failing to comply with vessel-tracking requirements.</p> <p>These amendments bring Queensland in line with other fisheries jurisdictions and the <i>Australian fisheries national compliance strategy 2016–2020</i>. The amendments do not provide powers beyond those granted to inspectors under other Queensland legislation.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>Combatting the illegal trade of seafood in Queensland is supported by changes to penalties that can be imposed under the Act. The changes provide sentencing options rather than just fines to deter repeat offenders, including making an order for anything reasonably necessary to prevent a person committing further offences against the Act.</p> <p>The Act amendments have provided powers that allow fisheries inspectors to enter commercial premises and vehicles without a warrant to investigate serious offences. This has led to the detection of black-marketing activities that would not have been possible without the new powers.</p>

(continued)

Table A7 (continued)

 <b>2. Consult and engage meaningfully with stakeholders</b>	
Evidence to support alignment with regulator model practices	<p>Improved stakeholder engagement is a key reform area of the strategy. The Fisheries (Sustainable Fisheries Strategy) Amendment Bill 2018 was introduced to Parliament in September 2018. Public feedback on the discussion paper regarding the proposed changes to the Act was considered in drafting the Bill.</p> <p>In January 2019, Queensland Government released a directions paper outlining reforms for the trawl, crab and east coast inshore fisheries. The directions paper also intended to provide certainty regarding reforms that will be implemented through proposed amendments to the Fisheries Regulation 2008 before the end of 2019. A final discussion paper on proposed amendments to the Regulation was released in June 2019 for public consultation, along with a supporting impact statement paper.</p> <p>Fisheries Queensland fosters cross-jurisdictional partnerships with other agencies (e.g. the Queensland Police Service, Maritime Safety Queensland and federal and state marine park services) to facilitate a strong and cost-effective approach to compliance.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>A new engagement process was previously established to oversee the implementation of the strategy. This process included the establishment of the Sustainable Fisheries Expert Panel to provide independent advice to the Minister and Fisheries Queensland on best practice fisheries management, and the establishment of fishery working groups to develop harvest strategies.</p> <p>Extensive consultation has been undertaken in the last 2 years regarding amendments to the Regulation to operationalise the reforms articulated in the strategy. Feedback on proposed amendments have been considered by the relevant working groups and the Sustainable Fisheries Expert Panel. This has resulted in a number of changes, which were incorporated into the final discussion paper on proposed amendments to fisheries regulations, released in June 2019.</p> <p>Summaries of consultation outcomes relating to fisheries reforms under the strategy and associated proposed regulatory amendments are available on the DAF website.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>Consultation undertaken in recent years has consistently identified the need for ongoing and transparent stakeholder engagement not only with the fishing sectors but also with the general community.</p> <p>Amendments to the Act in early 2019 now specifically provide that the main purpose of the Act is to be achieved, so far as is practicable, in consultation with all fishing sectors and the community using a transparent and responsive approach for the management of access to fisheries resources.</p>

(continued)



Table A7 (continued)





**3. Provide appropriate information and support to assist compliance**

<p>Evidence to support alignment with regulator model practices</p>	<p>Fisheries Queensland provides a range of information and educational materials to inform fishers on rules relating to:</p> <ul style="list-style-type: none"> <li>• size and possession limits</li> <li>• apparatus restrictions</li> <li>• closed waters</li> <li>• other requirements and obligations under the Act.</li> </ul> <p>These materials are provided through a suite of delivery channels including:</p> <ul style="list-style-type: none"> <li>• direct advice to clients</li> <li>• formal and informal presentations to community and industry groups and fisheries-related retail businesses</li> <li>• written communications such as media releases and responses, fishing forums and industry publications</li> <li>• the DAF website</li> <li>• social media channels of Fisheries Queensland, industry and partner agencies</li> <li>• the Queensland Recreational Fishing App</li> <li>• the DAF Customer Service Centre.</li> </ul>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>Fisheries Queensland’s social media channels provide an opportunity to educate the community about fishing rules and engage on fisheries management issues. In 2018–19, Fisheries Queensland’s social media channels (including Facebook, Twitter and YouTube) received a 14% increase in subscribers from the previous financial year.</p> <p>The annual <i>Queensland recreational boating and fishing guide</i>, which provides information on size and possession limits and fishing rules, is published on the DAF website. Hard copies are made available through QBFP, Maritime Safety Queensland, bait and tackle stores and other organisations.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>Fisheries Queensland operates the 24-hour, toll-free Fishwatch hotline (1800 017 116). This allows the community to assist in identifying suspected illegal fishing activity.</p> <p>The Fishwatch hotline was hugely successful in 2018–19, with over 1425 calls received related to illegal fishing. Also, a Fishwatch online form is available on the Fisheries Queensland Facebook page for the community to report suspected illegal fishing.</p>

(continued)

Table A7 (continued)

 <b>4. Commit to continuous improvement</b>	
Evidence to support alignment with regulator model practices	<p>The Fisheries (Sustainable Fisheries Strategy) Amendment Bill 2018, introduced to Parliament in September 2018, sought to modernise the fisheries legislation in line with the strategy, including by reducing complexity and removing redundant provisions.</p> <p>The government released a discussion paper on proposed amendments to fisheries regulations in June 2019. The proposed amendments focus on:</p> <ul style="list-style-type: none"> <li>• implementing the fisheries reforms, which is essential for long-term sustainability and profitability</li> <li>• urgent sustainability actions, such as taking the pressure off snapper and pearl perch</li> <li>• standardising fishing rules and supporting compliance</li> <li>• reducing red tape and removing unnecessary restrictions.</li> </ul>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Developments in technology over recent years have seen industry and fisheries management use innovative ways of doing business and undertaking compliance activities. Certain provisions in the Act required modernisation to allow processes to be implemented in line with technological development.</p> <p>Amendments to the Act in early 2019 included provisions for:</p> <ul style="list-style-type: none"> <li>• providing notices through electronic communication</li> <li>• allowing fisheries inspectors to seize electronic documents</li> <li>• allowing fisheries inspectors to use body-worn cameras to record images and sounds while performing their duties.</li> </ul>
Examples to highlight alignment, or indicate where business practices could be improved	<p>The current compliance system within QBFP is outdated and will be upgraded to enable QBFP officers to do their jobs more efficiently and effectively.</p> <p>An upgraded recreational fishing app and a new commercial fishing app will be rolled out to deliver simpler and easier access to ebusiness transactions and fishing rules, and to allow fishers to submit data electronically to the department.</p>
 <b>5. Be transparent and accountable in actions</b>	
Evidence to support alignment with regulator model practices	<p>Fisheries Queensland ensures that decisions made under the Act (including reasons for the decisions) are communicated to the affected persons within the time frames prescribed in the Act.</p> <p>Fisheries Queensland produces quarterly compliance reports to track its monitoring and enforcement activities.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>Amendments to the Act in early 2019 included making provisions relating to review and appeal of decisions consistent with other contemporary Queensland legislation.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>The Act previously did not provide any internal review processes for decisions made under the Act. The only review option available to a person affected by a decision was through an external review by the Queensland Civil and Administrative Tribunal (QCAT). The Act now requires that any decision review process must start with an internal review undertaken by the chief executive. The scope of decisions that were reviewable by QCAT has also been clarified.</p> <p>The amendments also clarified the decision-making process for the management of Queensland's fisheries between the Minister and the chief executive.</p>

### Fisheries Act amendments delivering better outcomes

Consultation undertaken on fisheries issues in recent years often highlighted the need for more action to address serious offences, such as seafood black-marketing.

The Fisheries Act amendments in early 2019 provided stronger powers for fisheries inspectors to enter commercial premises and vehicles to investigate serious offences. Subsequently, fisheries inspectors undertaking compliance activities have detected a number of black-marketing activities that would have otherwise not been investigated.



### Case study: An area for improvement

#### Modernising Fisheries Queensland systems

Modernising the systems in Fisheries Queensland will provide better data capture and data integration, and also make it easier for stakeholders to find and use fisheries data.

The current compliance system within QBFP is outdated and will be upgraded to enable QBFP officers to do their jobs more efficiently and effectively.

An upgraded recreational fishing app and a new commercial fishing app will also be rolled out to deliver simpler and easier access to ebusiness transactions and fishing rules. The apps will also allow fishers to submit data electronically to the department.



## Forestry management

### Nature of regulation

DAF manages, under the *Forestry Act 1959*, the commercial sale of state-owned native forest resources and quarry material from state forests, timber reserves, leasehold lands, reserves, public roads and certain freehold lands where the state owns the forest products or quarry material.

### Entities regulated

DAF authorises the removal and sale of state-owned timber resources to timber processors under a combination of long- and short-term sales permits. Under DAF's supervision, permit holders organise the harvest and extraction of log timber using their own appropriately skilled and accredited employees or contractors.

State-owned quarry resources (e.g. rocks, sand and gravel) are sold to a range of parties including commercial quarry operators, local governments and mining companies. This material is predominantly used for infrastructure development and maintenance purposes, such as for road and rail, to support mining-related activities, disaster recovery works and other infrastructure investment.

DAF administers the 99-year plantation licence to HQPlantations Pty Ltd, which authorises plantation forestry operations in the designated licence area.

### Legislation

The *Forestry Act 1959* provides a framework to manage native forest timber production and quarry material sales in state forests, timber reserves, leasehold lands, reserves, public roads and certain freehold lands where material ownership interests have been reserved to the state.

The Queensland Parks and Wildlife Service and partnerships within DES are responsible for the custodial management of state forests under the Act.

**Table A8** Assessment of the regulator performance for forestry management

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**1. Ensure regulatory activity is proportionate to risk and minimises unnecessary burden**

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<p>Evidence to support alignment with regulator model practices</p>	<p>DAF ensures its regulatory activity is proportionate to risk and minimises unnecessary burden through a regular monitoring, auditing and evaluation process. This routinely enables DAF to review internal operations and permit-holder activities against established sound practice indicators. Risks identified through this process inform engagement, compliance and regulatory enforcement actions proportionate to risk level.</p> <p>The Act empowers DAF to sell state-owned forest products located on a range of land tenures over which multiple interests may exist. To reduce unnecessary burden, the Act exempts certain classes of regulated entities from the requirement to obtain a sales permit to deal with forest products, where authority is provided under another Act, such as the <i>Mineral Resources Act 1989</i> and the <i>Water Act 2000</i>.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>DAF is progressing several proposed amendments to the Act that will reduce regulatory burden associated with managing the plantation licence area. One of these is enabling the plantation licensee to more effectively deal with vehicles that have been abandoned within the plantation licence area, which is a significant social, environmental and operations management issue requiring a timely response.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>DAF has identified an opportunity to expand the exemption from the requirement to obtain a sales permit under the Act to deal with quarry material where authority is provided under the <i>Coastal Protection and Management Act 1995</i>. DAF is working with the administering department to identify opportunities to facilitate this change.</p>

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**2. Consult and engage meaningfully with stakeholders**

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<p>Evidence to support alignment with regulator model practices</p>	<p>DAF regularly consults with prospective and existing permit holders in accordance with known standard procedures to make decisions that are timely, reasonable, ethical, lawful and in accordance with natural justice.</p> <p>DAF and DES have established interagency forest management and operations oversight groups, as well as a fire integration group. These groups meet regularly to promote effective joint management of state forests, and consider and develop operational policy for management of forestry-related activities.</p> <p>DAF and the plantation licensee have established regular compliance and operational group meetings to promote open discussion about the plantation licence. This assists DAF to clearly understand plantation operations and work collaboratively to oversee the plantation licence.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>During 2018–19, DAF and DES established a project-specific oversight and consultation committee with other non-government parties to collaborate on the transition of several former plantation forests to protected area estate. This collaborative approach enabled DAF to authorise harvesting of specified areas to provide suitable timber to industry while supporting DES to achieve conservation outcomes.</p> <p>DAF established a project-specific communication strategy relating to the Jimna and Waaje fire towers in response to ongoing community interest, including use of a dedicated email address and stakeholder list, and regular project updates.</p>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>DAF has recently had regular communication with several commercial quarry operators requesting assistance to overcome perceived barriers to access, including compliance with other legislative requirements such as the Australian Government's <i>Native Title Act 1993</i>. DAF has identified a need to develop additional internal guidance material to support advice and decisions made by staff in relation to quarrying activities.</p> <p>DAF anticipates a formal consultation and engagement process to support development and implementation of a policy on the future of native forestry in Queensland, pending government approval.</p>

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Table A8 (continued)

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<b>3. Provide appropriate information and support to assist compliance</b>	
Evidence to support alignment with regulator model practices	<p>DAF provides clear guidance to stakeholders and the general community through DAF's website, and through contributions to Queensland Government's Business Queensland website. The information provided includes advice on how timber and quarry products are managed, requirements for accessing and selling products, and answers to a range of frequently asked questions.</p> <p>DAF provides regular and timely feedback to permit holders relating to findings from monitoring, auditing and evaluation processes. Issues or concerns are assigned a standard time frame for resolution and are tracked for timely resolution.</p> <p>Opportunities to purchase state-owned timber and quarry materials are published on the DAF website from time to time. Parties who wish to access state-owned timber or quarry materials are directed to local DAF officers, who are best situated to advise and meet the specific needs of that person.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>During 2018–19, DAF updated all public-facing forestry-related web pages to ensure accuracy, currency and relevance of information available to stakeholders.</p> <p>DAF provides semi-regular communications (such as the <i>Queensland Forest and Timber Industry Bulletin</i>) to provide topical advice to stakeholders. While primarily focused on industry development matters, the bulletin has previously included proactive compliance-related messaging.</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>DAF regularly responds to a range of product-specific questions from members of the public and has identified an opportunity to expand upon existing public-facing frequently asked questions and advice on the DAF website.</p>

(continued)

Table A8 (continued)




#### 4. Commit to continuous improvement

<p>Evidence to support alignment with regulator model practices</p>	<p>DAF's forest management system has been implemented to ensure state-owned forests are managed to a high standard. The forest management system is independently audited and certified as compliant with the requirements of the <i>Australian standard: sustainable forest management (AS4708:2013)</i>, which is internationally recognised through the Programme for the Endorsement of Forest Certification.</p> <p>Certification includes significant stakeholder consultation and ensures that our regulatory practices promote the sustainability of state forests. Independent audits also identify potential risks and enable DAF to improve practices while considering stakeholder and community priorities.</p> <p>Certification enables DAF's timber processing customers to maintain chain-of-custody certification if they wish to do so. This provides a clear benefit to customers by enabling them to label and promote the environmental integrity of their timber products.</p> <p>DAF employees are supported to perform duties effectively in accordance with comprehensive guidance materials.</p>
<p>Actions taken to improve regulatory activities and practices to reflect model practices</p>	<p>As a result of the most recent audits of DAF's forest management system, DAF:</p> <ul style="list-style-type: none"> <li>• is developing a comprehensive approach to addressing WHS responsibilities and improving overall safety on sale areas with multiple stakeholders</li> <li>• has audited sale compliance of a permittee to identify strategies to improve compliance</li> <li>• has trained staff to ensure consistency with regard to regulating requirements of the <i>Code of practice for native forest timber production on the QPWS forest estate 2014</i>.</li> </ul>
<p>Examples to highlight alignment, or indicate where business practices could be improved</p>	<p>The audit identified a number of positive strengths, including the following:</p> <ul style="list-style-type: none"> <li>• DAF's continuous improvement audits showed a high level of capability to identify and manage concerns internally.</li> <li>• Forest operations consistently complied with the code of practice.</li> <li>• DAF staff demonstrated a high level of technical knowledge and capability, which supported effective implementation of the management system.</li> </ul> <p>Key opportunities for improvement included updating Forestry's business plan to reflect the risks and opportunities related to the economic, social, environmental and cultural criteria of AS4708.</p> <p>DAF is currently consulting with DES regarding the potential to establish joint Forestry Act training for DAF and DES officers and other relevant stakeholders, including the plantation licensee and the Queensland Police Service.</p>

(continued)

Table A8 (continued)

 <b>5. Be transparent and accountable in actions</b>	
Evidence to support alignment with regulator model practices	<p>DAF publishes a number of resources to promote transparency and accountability in its regulation of state-owned resources, including:</p> <ul style="list-style-type: none"> <li>• a code of conduct for DAF staff managing the sale of state-owned forest products and quarry material</li> <li>• advice about the decision-making process for all timber and quarry material sales</li> <li>• annual reporting about DAF's commercial performance</li> <li>• annual reporting about the quantities of native forest timber products and quarry materials removed under the Act.</li> </ul> <p>DAF implements an open-market tender process to transparently allocate state-owned resources in circumstances where there is a demonstrated high demand for the resource.</p> <p>DAF administers sales permits in line with consistent procedures to ensure state-owned resources are allocated in a transparent and timely manner. However, DAF makes a range of decisions that attract commercial confidentiality and cannot be released to the general public, such as the negotiated value payable and other contractual terms and conditions.</p> <p>The plantation licence is publicly available through the Queensland Titles Registry. Through an annual reporting process, DAF also ensures the plantation licensee makes publicly available a range of operational and regulatory information as required by the licence.</p>
Actions taken to improve regulatory activities and practices to reflect model practices	<p>DAF's forest management policy statement commits to systematic management that delivers on environmental, social and economic objectives.</p> <p>DAF has published a summary forest management plan on its website that details DAF's policy commitments, goals, objectives and responsibilities</p>
Examples to highlight alignment, or indicate where business practices could be improved	<p>DAF's forest management policy statement commits to systematic management that delivers on environmental, social and economic objectives.</p> <p>DAF publishes summaries of independent audit reports against AS4708.</p>



### Values-based forest management framework

In late 2017, a recertification audit of DAF's forest management system identified that DAF did not have a process to monitor custodial forest management activities on state forests and timber reserves for compliance to the requirements of AS4708.

To address this minor non-conformity, DAF worked with DES to document their forest management systems and is working collaboratively to develop and apply a values-based park management framework to state forests and timber reserves.



### Case study: An area for improvement

#### Better decisions through improved information management

DAF is currently implementing the largest business improvement project since the Forest Products business unit was formed in 2006. The RANGER project will see the introduction of a new customer relationship management system that will transform the way DAF captures, manages and stores sales permit information.

DAF employees will be able to access and input up-to-date and geolocated customer information through RANGER from any location across the state to undertake a range of regulatory activities, including monitoring and compliance actions. This is expected to improve accuracy, responsiveness and transparency in management of state-owned resources and customer engagement.



## Appendix 2

### Online reporting

To support accountability and transparency across government, a number of reporting requirements are now released online through the Open Data portal in lieu of inclusion in the annual report.

**Table A9** Annual reporting requirements available through Queensland Government's Open Data portal

Reporting requirement	Available series
Consultancies	2012–13 to 2018–19
Overseas travel	2012–13 to 2018–19
<i>Queensland language services policy</i>	2014–15 to 2018–19
Government entities*	2014–15

\* Government entities/bodies from 2015–16 on are published on [daf.qld.gov.au](http://daf.qld.gov.au).

## Appendix 3 Related entities

The entities in Table A10, together with the department, form the ministerial portfolio for the Minister for Agricultural Industry Development and Fisheries.

The entity in Table A11 is administered for the Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs.

**Table A10** Related entities

Name	Type of entity	Functions	Legislation under which the entity was established	Annual reporting arrangement
Darling Downs – Moreton Rabbit Board	Statutory body	Take reasonable steps to ensure the board's operational area is kept free from rabbits	<i>Biosecurity Act 2014</i>	Annual report tabled in Parliament
Queensland Agricultural Training Colleges	Statutory body	Provide high-quality agricultural and rural vocational education and training	<i>Queensland Agricultural Training Colleges Act 2005</i>	Annual report tabled in Parliament
Queensland Rural and Industry Development Authority	Statutory body	Administer approved financial assistance schemes	<i>Rural and Regional Adjustment Act 1994</i>	Annual report tabled in Parliament
Safe Food Production Queensland	Statutory body	Regulate the production and processing of food products	<i>Food Production (Safety) Act 2000</i>	Annual report tabled in Parliament
Veterinary Surgeons Board of Queensland	Statutory authority	Registration of veterinary surgeons, provisions in response to misconduct, and the control of veterinary science practice	<i>Veterinary Surgeons Act 1936</i>	The transactions of the entity are included in the department's financial statements

**Table A11** Additional entity administered

Name	Type of entity	Functions	Legislation under which the entity was established	Annual reporting arrangement
Queensland Racing Integrity Commission	Statutory body	Oversees the integrity and welfare standards of racing animals and participants in Queensland	<i>Racing Integrity Act 2016</i>	Annual report tabled in Parliament

## Appendix 4

### Performance statements

Table A12 Performance statements (2018–19)

	Notes	2018–19 target/estimate	2018–19 actual
<b>Service area: Agriculture</b>			
<b>Service: Strategic policy and planning</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Proportion of stakeholders who have a high level of satisfaction with agriculture policy and planning, consultation and engagement processes	1	70%	85%
<i>Efficiency measure</i>			
Average cost per hour to conduct regulatory policy and reform activities	2	\$75	\$76
<b>Service: Rural economic development</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Percentage of primary producers in Reef catchments who adopt improved management practices after participation in DAF extension programs	3	40%	72%
<i>Efficiency measures</i>			
Average cost of regional agricultural advocacy activities	4	\$780	\$591
Investment in the management of the Drought Relief Assistance Scheme program as a proportion of the total claims paid under the scheme	5	10%	6.74%
<b>Service: Agri-Science Queensland</b>			
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Assessed impact of completed agricultural research, development and extension projects and/or programs (benefit–cost ratio)	6	>3.5	5.41
Level of funding partner satisfaction that research outcomes contribute to industry productivity growth	7	90%	85%
<i>Efficiency measure</i>			
Percentage return on research, development and extension investment through royalty returns	8	3.5%	5.9%

(continued)

Table A12 (continued)

	Notes	2018–19 target/estimate	2018–19 actual
<b>Service area: Biosecurity Queensland</b>			
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Proportion of significant biosecurity responses that deliver the planned outcomes to safeguard economic loss	9	>80%	100%
Level of satisfaction with biosecurity partnership performance	10	>3.0	3.06
<i>Efficiency measures</i>			
Cost of significant biosecurity responses per agricultural production unit	11	≥1:450	1:696
Cost of core biosecurity services per agricultural production unit	12	≥1:250	1:288
<b>Service area: Fisheries and Forestry</b>			
<b>Service: Fisheries</b>			
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Percentage of key Queensland fish stocks assessed that are considered to have no sustainability concerns	13	85%	85%
Percentage of units inspected that are compliant with fisheries laws		90%	89%
<i>Efficiency measures</i>			
Average cost of inspections	14	\$520	\$544
Average number of inspections per FTE	15	250	220
<b>Service: Forestry</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Percentage of findings from the previous third-party audit confirmed as satisfactorily addressed in order to maintain certification to the <i>Australian standard: sustainable forest management (AS4708:2013)</i>	16	100%	100%
<i>Efficiency measure</i>			
Average expense necessary to authorise the removal of a cubic metre of forest product:	17		
(a) native forest timber (expenses/m <sup>3</sup> )		\$36.00	\$37.11
(b) quarry material (expenses/m <sup>3</sup> )		\$0.66	\$0.65

**Notes:**

1. This measure covers a range of dimensions of stakeholder satisfaction including quality, satisfaction with the tools and methods of engagement and the level of opportunity to contribute to policy direction, which determine overall stakeholder satisfaction. Both quantitative and qualitative responses are sought. The variance between the 2018–19 target/estimate and the 2018–19 actual is due to an increase in the number of survey respondents who reported being 'very satisfied' with their interaction with relevant DAF staff and the quality of the information received.
2. The cost for this efficiency measure is based on employee expenses for staff responsible for regulatory policy and reform.

(continued)

Table A12 Notes (continued)

3. This measure reports on the adoption of improved practices which have a positive impact on resource condition and production during the surveyed period. Many landholders will have scope for several incremental practice improvements before they can realistically be described as having attained 'best practice', and these are the landholders that are the key target group for extension support. The variance between the 2018–19 target/estimate and the 2018–19 actual is because the annual target was set with an expectation that difficult seasonal conditions would impede on-farm changes. Explicit 'high-return' extension involving 1:1 personal interactions resulted in higher adoption rates of improved management practices.
4. The cost for this efficiency measure is based on the total number of and operational costs for delivering eligible activities. The variance between the 2018–19 target/estimate and the 2018–19 actual is due to activities being less complex and shorter than anticipated, which resulted in a lower cost per activity.
5. Methodology for this standard is cost of claims paid to eligible producers divided by administration costs. Administration costs include salary, information technology (IT) and phone costs of temporary staff and percentage of salary and IT costs of permanent staff based on time spent processing claims. Also included are audit costs and Information and Technology Partners maintenance of the Drought and Disaster Assistance Management System database. In 2018–19, deteriorating seasonal conditions led to high application rates and high value of individual claims, reducing administration cost as a proportion of subsidies provided.
6. This measure provides an estimate of benefits for the industry and the broader community associated with efficient food and fibre production generated by the use of DAF's agriscientific research outputs relative to the cost of the overall investment. Annually a sample of completed projects will be independently assessed using the methodology outlined in the Council of Rural Research and Development Corporations' *Impact assessment guidelines* and the results aggregated to report on this measure. The variance between the 2018–19 target/estimate and the 2018–19 actual has occurred as the target was set based on experience of research-related benefit–cost ratios within and external to DAF, and the 2016–17 impact assessments. Each year six new RD&E project/programs are chosen at random, which means the target from year to year varies.
7. This measure of funding partner satisfaction covers a range of dimensions that consider both the quality, relevance and timeliness of processes used by Agri-Science Queensland (ASQ) and the outcomes delivered by individual projects. Both quantitative and qualitative feedback is sought to gauge overall satisfaction and improve the service.
8. The Queensland Government investment in research and development (R&D) through ASQ is calculated annually. The percentage relates to the royalty and licensing income earned by ASQ as a direct result of the government's investment in agricultural R&D. This excludes partnership payments to the university sector and Sugar Research Australia where intellectual property is not allocated to DAF, as well as research facility transition costs. The variance between the 2018–19 target/estimate and the 2018–19 actual is due to increased market share of DAF-bred strawberry, mango and mandarin varieties and increased royalties relating to the Rhinogard vaccine for bovine respiratory disease.
9. This is a new measure that provides an assessment of the initial effectiveness of biosecurity decision-making and responses. Significant biosecurity responses include national cost share, other responses agreed to by other parties including industry and other government agencies that have a cost–benefit analysis undertaken as part of the funding approval process. A response to a biosecurity incident is considered to have met the expected rate of return if the goals of the response plan have been achieved within the specified terms and period. Where a further agreement and terms are agreed, this is reported as a new response. The target/estimate recognises the potential for renegotiation of deliverables against funding level agreements. The 80% target/estimate for 2018–19 is a minimum expectation; however, DAF consistently strives for 100%.
10. This measure assesses the effectiveness of the intended partnership arrangements. Five key dimensions of satisfaction are measured including mutual trust, clarity of purpose, collaboration, role clarity, and empowerment of responsibility as well as overall satisfaction with the partnership arrangements.
11. This measure is calculated and expressed as a ratio of the 5-year average of the gross value of production (GVP) over the expenditure of the significant incident responses delivered in a given year. The GVP is the value of primary industry commodities produced to the farm gate. Expenditure on biosecurity incident responses can vary significantly between years depending on factors such as the number, size and location of incursions detected during the year. The 2018–19 result is a factor of the average GVP for agriculture between the years 2012–13 and 2016–17 slightly increasing from the previous year and Queensland's proportionate contribution to significant biosecurity responses in accordance with deed agreements being lower than previous years.
12. This measure is calculated and expressed as a ratio of the 5-year average of the GVP over the base-funded expenditure for core biosecurity services. Core biosecurity services include animal and plant biosecurity, invasive plants and animals, policy and corporate support services. A ratio is used to demonstrate the link between the value of the industry/sector safeguarded/protected and the investment in biosecurity services.
13. Under the nationally consistent system for stock status assessment, an assessment of all Queensland species of importance is completed over 24 months. A different group of species/stocks will be assessed each year as well as a reassessment of any stocks of concern.
14. Cost of inspection is determined by the number of inspections undertaken by authorised officers of the QBFP and the annual cost (operating expense to deliver the service) of the QBFP. The QBFP conducts both fisheries inspections for DAF and boating safety inspections on behalf of other agencies such as the Department of Transport and Main Roads. In 2018–19 the average cost of inspections was impacted by the protected industrial action taken by some QBFP officers early in 2018–19.
15. In 2018–19, the average number of inspections was impacted by the protected industrial action taken by some QBFP officers early in 2018–19. The 2018–19 actual is lower than the 2018–19 target/estimate due to the move to an intelligence-based compliance program resulting in officers dedicating more time to intelligence gathering and more complex investigations rather than on-water inspections.
16. Certification to the Australian standard is voluntary, and pursued as a value-adding credential for Forest Products. This certification enables purchasers of state-owned forest products to promote and label their products as sourced from responsibly managed forests. This chain-of-custody process helps DAF customers to access increasingly discerning markets requiring legally sourced and environmentally credentialed timber products. It also provides the Queensland community with confidence that designated forest areas have been determined to meet high standards of sustainable management through independent review. The department endeavours to satisfactorily address all significant audit findings within a 12-month period to ensure relevant customers can continue to label their products as sustainably produced.
17. This measure assesses the cost for Forest Products to facilitate authorising and subsequent administration of the sales permits, including labour, supply and services, depreciation and miscellaneous expenses. It does not include forest or quarry operational costs, which are the responsibility of the permit holder. The volume of material removed is recorded by measure or load dockets and electronic data transfers submitted by sales permit holders.

## Appendix 5

# Administered legislation

The public business of the State of Queensland is divided among its ministers. Each ministerial portfolio carries particular responsibilities, including the administration of relevant legislation. As at 30 June 2019, DAF administered the following legislation for the Minister for Agricultural Industry Development and Fisheries.

**Table A13** Legislation administered by DAF (2018–19)

Legislation	Notes
<i>Agricultural and Veterinary Chemicals (Queensland) Act 1994</i>	
<i>Agricultural Chemicals Distribution Control Act 1966</i>	
<i>Animal Care and Protection Act 2001</i>	
<i>Animal Management (Cats and Dogs) Act 2008</i>	
<i>Biological Control Act 1987</i>	
<i>Biosecurity Act 2014</i>	
<i>Brands Act 1915</i>	
<i>Chemical Usage (Agricultural and Veterinary) Control Act 1988</i>	
<i>Drugs Misuse Act 1986 (part 5B)</i>	
<i>Exhibited Animals Act 2015</i>	
<i>Farm Business Debt Mediation Act 2017</i>	
<i>Fisheries Act 1994</i>	Except for fish habitat areas, which are administered with the Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts
<i>Food Production (Safety) Act 2000</i>	
<i>Forestry Act 1959</i>	Jointly administered with the Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts
<i>Nature Conservation Act 1992</i>	To the extent that it is relevant to demonstrated and exhibited native animals; jointly administered by the Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts
<i>Queensland Agricultural Training Colleges Act 2005</i>	
<i>Racing Integrity Act 2016</i>	Administered on behalf of the Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs
<i>Regional Planning Interests Act 2014 (part 4, division 2)</i>	
<i>Rural and Regional Adjustment Act 1994</i>	
<i>Sugar Industry Act 1999</i>	
<i>Torres Strait Fisheries Act 1984</i>	
<i>Veterinary Surgeons Act 1936</i>	

## Appendix 6

# Compliance checklist

Table A14 Compliance checklist (2018–19)

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant minister/s</li> </ul>	ARRs—section 7	1
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> </ul>	ARRs—section 9.1	i–ii
	<ul style="list-style-type: none"> <li>Glossary</li> </ul>		191
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs—section 9.2	Inside front cover
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government language services policy</i> ARRs—section 9.3	Inside front cover
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs—section 9.4	Inside front cover
	<ul style="list-style-type: none"> <li>Information licensing</li> </ul>	<i>Queensland Government enterprise architecture—information licensing</i> ARRs—section 9.5	Inside front cover
General information	<ul style="list-style-type: none"> <li>Introductory information</li> </ul>	ARRs—section 10.1	2–5
	<ul style="list-style-type: none"> <li>Machinery-of-government changes</li> </ul>	ARRs—sections 10.2, 31 and 32	Not applicable
	<ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>	ARRs—section 10.2	6, 14
	<ul style="list-style-type: none"> <li>Operating environment</li> </ul>	ARRs—section 10.3	11–13
Non-financial performance	<ul style="list-style-type: none"> <li>Government’s objectives for the community</li> </ul>	ARRs—section 11.1	7, 14
	<ul style="list-style-type: none"> <li>Other whole-of-government plans/specific initiatives</li> </ul>	ARRs—section 11.2	Cross-government commitments
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs—section 11.3	18–61
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs—section 11.4	183–185
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs—section 12.1	80–85
Governance—management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs—section 13.1	8
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs—section 13.2	9–10
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs—section 13.3	182
	<ul style="list-style-type: none"> <li><i>Public Sector Ethics Act 1994</i></li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs—section 13.4	68–69
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs—section 13.5	68

(continued)



Table A14 (continued)

Summary of requirement		Basis for requirement	Annual report reference
Governance—risk management and accountability	• Risk management	ARRs—section 14.1	72
	• Audit committee	ARRs—section 14.2	66–67
	• Internal audit	ARRs—section 14.3	69–70
	• External scrutiny	ARRs—section 14.4	70–72
	• Information systems and recordkeeping	ARRs—section 14.5	73–74
Governance—human resources	• Strategic workforce planning and performance	ARRs—section 15.1	75–79
	• Early retirement, redundancy and retrenchment	<i>Directive no.04/18: early retirement, redundancy and retrenchment</i> ARRs—section 15.2	75
Open Data	• Statement advising publication of information	ARRs—section 16	181
	• Consultancies	ARRs—section 33.1	data.qld.gov.au
	• Overseas travel	ARRs—section 33.2	data.qld.gov.au
	• <i>Queensland language services policy</i>	ARRs—section 33.3	data.qld.gov.au
Financial statements	• Certification of financial statements	FAA—section 62 FPMS 2009—sections 42, 43 and 50 ARRs—section 17.1	140
	• Independent auditor's report	FAA—section 62 FPMS 2009 (financial statements) and 2019—section 50 (review of complete annual report) ARRs—section 17.2	141–144

ARRs—Annual report requirements for Queensland Government agencies

FAA—Financial Accountability Act 2009

FPMS—Financial and Performance Management Standard 2009 (effective up to and including 31 August 2019)

FPMS—Financial and Performance Management Standard 2019 (commenced 1 September 2019)

# Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ADA	aquaculture development area
AgMAC	Agricultural Ministerial Advisory Council
AGMIN	Agricultural Ministers' Forum
agvet chemicals	agricultural chemicals and veterinary medicines
ARRs	<i>Annual report requirements for Queensland Government agencies</i>
ASQ	Agri-Science Queensland
BFVG	Bundaberg Fruit and Vegetable Growers
BIN	breeder identification number
BMP	best management practice
BQMAC	Biosecurity Queensland Ministerial Advisory Council
CGIAR	Consultative Group on International Agricultural Research
COAG	Council of Australian Governments
CRC	Cooperative Research Centres
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DAF	Department of Agriculture and Fisheries
DES	Department of Environment and Science
DITID	Department of Innovation, Tourism Industry Development and the Commonwealth Games
DNRME	Department of Natural Resources, Mines and Energy
DRAS	Drought Relief Assistance Scheme
FAA	<i>Financial Accountability Act 2009</i>
FPMS	Financial and Performance Management Standard 2009; Financial and Performance Management Standard 2019
FTE	full-time equivalent
GST	goods and services tax
GVP	gross value of production
HACCP	hazard analysis and critical control point
ICT	information and communication technology
ISMS	Information Security Management System
ITP	Information and Technology Partners
KPI	key performance indicator
NAIDOC	National Aborigines and [Torres Strait] Islanders Day Observance Committee
PMO	project management office

(continued)

Acronyms and abbreviations (continued)

PPID	prescribed permanent identification device
QAAFI	Queensland Alliance for Agriculture and Food Innovation
QAO	Queensland Audit Office
QATC	Queensland Agricultural Training Colleges
QBFP	Queensland Boating and Fisheries Patrol
QCAT	Queensland Civil and Administrative Tribunal
QRIC	Queensland Racing Integrity Commission
QRIDA	Queensland Rural and Industry Development Authority
RANGER project	Resources, Authorities, Notations, Geospatial, Entities and Reporting project
R&D	research and development
RD&E	research, development and extension
Reef 2050 Plan	<i>Reef 2050 long-term sustainability plan</i>
RNA	Royal National Agricultural and Industrial Association of Queensland
RSPCA	Royal Society for the Prevention of Cruelty to Animals
SAFS	status of Australian fish stocks
SCC	DAF State Coordination Centre
SIPS	Stocked Impoundment Permit Scheme
STEM	science, technology, engineering and mathematics
UQ	The University of Queensland
WHS	workplace health and safety

# Glossary

Administrative Arrangements Order	a document that specifies the subject matter and legislation dealt with by particular government departments
anthrax	a malignant infectious disease affecting cattle, sheep and other animals (and rarely humans) caused by <i>Bacillus anthracis</i>
aquaculture	the rearing of aquatic animals or cultivation of aquatic plants for food
Asian green mussel	a large mussel (species name <i>Perna viridis</i> ) that is a prohibited marine animal under the <i>Biosecurity Act 2014</i> ; it accumulates toxins and heavy metals that can cause poisoning if eaten and fouls surfaces such as vessel hulls, industrial intake pipes and wharves
browsing ants	small, slender, shiny black ants originating from the drier climates of southern Europe and the Mediterranean (species name <i>Lepisiota frauenfeldi</i> ), whose single colony can support many queens, making them able to form super colonies, which can seriously impact surrounding native flora and fauna
cabomba	a popular, rapidly growing aquarium plant that when released into natural waterways can dominate native vegetation and obstruct creeks, wetlands, lakes and dams, interfering with swimming, boating and fishing as well as creating a habitat for disease carriers like mosquitoes
category B assistance	assistance available to primary producers, including concessional loans and freight subsidies
category C assistance	assistance available to primary producers for severe impact events only (with approval from the Prime Minister), including community recovery packages and clean-up and recovery grants
category D assistance	exceptional circumstances assistance (with approval from the Prime Minister) beyond categories A to C; this assistance is generally considered once the impact of the disaster has been assessed and specific recovery gaps have been identified
chain-of-custody program	an inventory control system that tracks log timber from its origin in certified forest and through its processing and manufacturing in the supply chain, providing assurance to the consumer that the timber product is from a responsibly managed source
electric ants	tiny golden-brown ants (species name <i>Wasmannia punctata</i> ) that congregate under rocks, leaf litter etc. and can give sharp stings that can cause prolonged pain, itchiness, pustules and even blindness in small animals
forest product	any material derived from a forest for commercial use (e.g. log timber, other timber, seed, foliage, wildflowers)
fruit flies	small flies that lay their eggs in developing fruit, causing serious damage to and restricting market access for a wide range of fruit and vegetable crops; some species are present in Australia (e.g. Queensland fruit fly) and some are exotic to the country (e.g. oriental fruit fly)
giant rat's tail grass	an aggressive native African long upright grass that forms large tussocks; it can reduce pasture productivity and significantly degrade natural areas
grazing	the use of land for the production of animals that are fed on native or introduced pastures or plants
gross value of production	the value of final goods and services produced in a given period

(continued)

Glossary (continued)

mother-of-millions	a slender, erect, succulent perennial plant with pinkish-brown or greyish stems and red to orange flowers, native to Madagascar (and now a weed in Australia)
National Four Tropical Weeds Eradication Program	a program targeting six weed species that are native to tropical America and have been introduced into North Queensland—Koster’s curse ( <i>Clidemia hirta</i> ), limnocharis ( <i>Limnocharis flava</i> ), miconia ( <i>Miconia calvescens</i> , <i>M. nervosa</i> , <i>M. racemosa</i> ) and mikania vine ( <i>Mikania micrantha</i> )
Navua sedge	a vigorous, grass-like, perennial plant native to tropical Africa (and now an invasive plant in Australia) that competes strongly with pasture and other plants for nutrients, light and moisture
open data	data in its rawest form, made available free of charge
Open Data portal	a collection of agency-owned datasets that allows the public to find, access and reuse raw data from Queensland Government
Panama disease tropical race 4	a destructive fungal disease of banana plants (of which there are four strains) that invades the vascular tissue (xylem) through the roots, causing discolouration and wilting; tropical race 4 varies from other strains in that onset is generally quicker and the disease is generally more aggressive
prickly acacia	a weed of national significance that transforms natural grasslands into thorny scrub and woodlands, interfering with the movement of stock and access to water, and can cause soil degradation by contributing to erosion
pulses	annual crops yielding 1–12 seeds of various sizes, shapes and colours within a pod (e.g. kidney beans, lentils, navy beans, dry peas); also called grain legumes
red imported fire ants	small, coppery brown ants (species name <i>Solenopsis invicta</i> ) originally from South America that inflict a painful, fiery sting and could severely damage the environment, Queensland’s outdoor lifestyle and the agriculture and tourism industries
red witchweed	a parasitic weed that grows attached to the roots of a ‘host plant’ and robs it of water and nutrients, suppressing its growth; hosts includes commercially important grasses and summer cereals
tilapia	a restricted noxious fish under the <i>Biosecurity Act 2014</i> , first introduced into Australia in the 1970s as an ornamental fish and now regarded as one of the greatest threats to Australia’s native biodiversity
varroa mite	either of the two mites <i>Varroa destructor</i> or <i>V. jacobsoni</i> , which are external parasites of bees; <i>V. jacobsoni</i> was detected in Townsville in 2016 and is the focus of a nationally cost-shared eradication program
West Indian drywood termite	an introduced species of drywood termite (species name <i>Cryptotermes brevis</i> )—known to be the most destructive in the world—that has caused damage to timber structures in coastal areas and adjacent tablelands in Queensland
white spot disease	a highly contagious disease affecting prawns and other crustaceans but presenting no risk to humans

