



**Inquiry into the NSW Government's Management of the COVID-19 Pandemic –
Monday 15 June 2020**

Agriculture and Western New South Wales

Questions Taken on Notice

Question 1 (Page 2 of transcript)

The Hon. EMMA HURST: Thanks. I know about the Federal money that went into these industries but, Mr Hansen, were there other issues that came up? The Minister alluded to the possibility you might have more information.

Mr HANSEN: Thank you. There were 31 of our exhibited animal facilities that were eligible under the Commonwealth package. That obviously left a range of facilities that were not made available the assistance from the Commonwealth with regards to assistance for them for feeding and caring for animals. Department of Primary Industries [DPI] staff reached out to all of the licensed exhibited animal holders in New South Wales early on during the pandemic to take a check as to how they were faring, how they were coping. We are not aware of any animals that had to be euthanised due to ill health directly related to the pandemic, but that is something that we can take on notice and provide any data on.

ANSWER:

NSW DPI is not aware nor have been made aware of any animals euthanised due to COVID-19.

Question 2 (Page 3 of transcript)

The Hon. EMMA HURST: Thank you. During the COVID-19 lockdowns, we heard a reduction in people reaching for domestic violence but when I spoke to both the RSPCA and the Animal Welfare League, they said that they had also seen a reduction in outreach for their services and a reduction in the reporting of animal cruelty. I think that makes a lot of sense when you consider that if people are in lockdown they are not witnessing a lot of animal cruelty and also if people are in lockdown potentially they are less likely to reach out for help. Are you aware of a reduction in animal cruelty reporting during those lockdown periods as well?

The Hon. ADAM MARSHALL: Yes. I am aware that there has been a reduction, as you said in your introduction, yes.

The Hon. EMMA HURST: Do you have any statistics? Perhaps that is something that you could take on notice about that particular reporting period.

The Hon. ADAM MARSHALL: Yes. I have to take that on notice because as the enforcement of POCTAA is done by the RSPCA, the Animal Welfare League and the NSW Police Force, I do not hold that data; neither does the department. But we can take that on notice and request that and provide that to the Committee.

The Hon. EMMA HURST: Thank you.

The Hon. ADAM MARSHALL: Do you want to specify a particular time period?

The Hon. EMMA HURST: Just when the lockdown period started.

The Hon. ADAM MARSHALL: Okay, sure.

ANSWER:

Between 15 March 2020 and 9 July 2020, RSPCA NSW received 3786 animal cruelty complaints, a 12.8% reduction compared to the same period in 2019. Animal Welfare League NSW received 274 animal cruelty complaints, a 9.2 % reduction compared to the same period in 2019.

Question 3 (Page 9 of transcript)

The Hon. COURTNEY HOUSSOS: I move on to a different area around the Rural Assistance Authority [RAA], Minister. That is obviously an area where there is a direct financial impact, particularly on producers who have been affected previously, not necessarily by the drought but particularly by the bushfires. They have got a number of loan repayments that are coming up. Can you tell me how many applications for deferral you have received?

The Hon. ADAM MARSHALL: I as Minister have received none. Those requests go to the Rural Assistance Authority. Do you mean how many requests has the Rural Assistance Authority received?

The Hon. COURTNEY HOUSSOS: Yes.

The Hon. ADAM MARSHALL: I would have to ask Mr Hansen, or we would have to take that on notice.

Mr HANSEN: I would have to take that on notice.

The Hon. COURTNEY HOUSSOS: Is it still the case that those applications for deferral are required to be in writing, they cannot be taken over the phone?

The Hon. ADAM MARSHALL: I would have to defer to Mr Hansen. **Mr HANSEN:** This is deferral of principal or interest repayments —

The Hon. COURTNEY HOUSSOS: That is right.

Mr HANSEN: — on RAA loans?

The Hon. COURTNEY HOUSSOS: That is correct.

Mr HANSEN: I would have to take on notice the process. We normally would not just deal with a person's financial details over the phone without some verification, whether that be through email or through some other way. But let me check on that because I am not aware.

ANSWER:

The RAA maintains an open dialogue with customers who have RAA loans. This includes encouraging any customer to make contact if they are experiencing financial hardship.

As part of this process of ongoing dialogue, the RAA securities team will contact any customer who falls into arrears to determine whether they are experiencing financial hardship and what arrangements can be made to assist them to manage their RAA debt. Arrangements can include a deferral of payment of the loan and organising a repayment schedule that is more manageable.

It is RAA process to approve all initial applications for deferrals for a period of up to 12 months. As a matter of course, contact is made with a customer toward the end of

the deferral period to discuss how they want to proceed. The RAA will work with the customer to find an arrangement that suits their financial capacity. RAA's normal process is to require any application for deferral to be in writing with evidence of financial hardship. See answer to Question 5 for further details on this aspect.

The table below shows the total number of deferral arrangements for the period of June 2019 to April 2020.

| Month | Total number of deferral arrangements |
|----------------|--|
| June 2019 | 121 |
| July 2019 | 134 |
| August 2019 | 132 |
| September 2019 | 150 |
| October 2019 | 141 |
| November 2019 | 151 |
| December 2019 | 133 |
| January 2020 | 158 |
| February 2020 | 152 |
| March 2020 | 143 |
| April 2020 | 147 |

The data available indicates a slight rise in deferrals in September 2019 since when the rate has maintained relatively stable for the period up until April 2020. Data for May and June 2020 are not available at this time.

Question 4 (Page 9 of transcript)

The Hon. COURTNEY HOUSSOS: There was a story in *NewsLocal* on 8 April that outlined the case of Mr Alessi, who is a commercial fisher in Port Stephens in Salamander Bay. He was outlining the situation where it was a dramatic increase, and this is understandably quite a significant increase, as you said, as they move from an interest only loan to a principal and interest situation. At the time the department said that it was considering a range of industry assistance measures, do you have any new information, any new approaches for people who find themselves in this situation?

The Hon. ADAM MARSHALL: In terms of that individual case, I would hope that they have made an application to the RAA for deferral and I would have to take that individual case on notice.

ANSWER:

The RAA cannot disclose the specifics of individual loan contracts. Individuals are encouraged to contact the RAA directly to seek a deferral period or negotiate payments arrangements that suit their current capacity to pay.

Question 5 (Page 10 of transcript)

The Hon. COURTNEY HOUSSOS: I respect the direction of the Chair. Is it still the case that the application has to be put in writing, even if it is for less than 12 months?

The Hon. ADAM MARSHALL: I will take that on notice.

ANSWER:

RAA's normal process is to require any application for deferral in writing, which would be subsequently confirmed with the customer via email. In some instances, depending on a customer's individual circumstances, an initial application for a deferral of less than 12 months can be obtained by phone. The applicant's identity is confirmed by answering security questions, as well as by a confirmation email sent to the applicant's recorded email address.

Question 6 (Page 10 of transcript)

The Hon. COURTNEY HOUSSOS: Mr Hansen?

Mr HANSEN: As I said before, my understanding is that our security and fraud settings means that we do need to take it in writing, generally by email, rather than just a phone call. But I can confirm that for you and come back with it.

The Hon. COURTNEY HOUSSOS: Can you tell me how many you have received, if you are tracking applications or inquiries, over the phone and also in writing?

Mr HANSEN: Yes. We obviously have reached out to all of the key customers within the RAA talking about the fact that if they are experiencing financial hardship to deal with us on a one-on-one basis in terms of deferral of payments, and that is an option that is available to everyone. I understand though your question is not about the individual but about any blanket policy settings across a category of affected producers, and that is something that again I would have to take notice or will come back at a later time to better discuss.

The Hon. COURTNEY HOUSSOS: Then perhaps you can take on notice how much has the RAA given out in the last 12 months and how many farmers have accessed that relief?

Mr HANSEN: Yes, okay.

ANSWER:

Please refer to the answer to Question 3.

Question 7 (Page 10 of transcript)

The Hon. ADAM MARSHALL: I am just seeking a point of clarification from Ms Houssos, if that is permitted through you, Mr Chair. I am happy to provide this Committee with any information requests around applications and RAA, but just to be clear, do you want the full suite? Because the RAA delivers dozens of different programs to farmers. You want everything? Okay, right, you will get everything.

The Hon. COURTNEY HOUSSOS: That is my request, thank you.

ANSWER:

Please refer to the answer to Question 3.

Question 8 (Page 11 of transcript)

The Hon. MARK BANASIAK: During the pandemic the Game Licencing Unit implemented online testing for the R licence accreditation. Is it the intention that that will continue past this COVID-19 pandemic, they will still allow for online testing?

Mr HANSEN: That has certainly been serving us well during the pandemic. We are happy to continue the dialogue with—one of the actual committees that was established during this to help guide our decision on this has been a hunting and recreational fishing subcommittee and we are happy to continue to take their views and thoughts on the continuation of the online testing.

The Hon. MARK BANASIAK: Would you be able to provide some details on the hunting and recreational fishing committee and who was on it?

Mr HANSEN: Sure.

The Hon. MARK BANASIAK: On notice?

Mr HANSEN: Yes.

ANSWER:

1. Yes.
2. The NSW Department of Primary Industries (NSW DPI) established ten COVID-19 Industry Working Groups in April 2020. The Recreational Hunting and Fishing Working Group aims to capture COVID-19 questions and issues relevant to the recreational hunting and fishing industries.

Representation on the working groups sought diversity across the sector and networking capacity to represent the views, issues and opportunities being experienced.

Organisations represented on the working group are:

| Hunting | Fishing |
|--|---|
| Game and Pest Management Advisory Board (former) | Australian Fishing Trade Association |
| Sporting Shooters Association of Australia (NSW) Inc | Recreational Fishing NSW Advisory Council, Ministerial Fisheries Advisory Council |
| Yaffa Media | Australian Bream Tournaments, Fishing Monthly Group |
| Calibre Country | Charter Fishing NSW Working Group |
| | Reflections Holiday Parks Copeton Waters |

Question 9 (Page 11 of transcript)

The Hon. MARK BANASIAK: And possibly on notice, what has been the testing application rate during the lockdown period compared to pre-lockdown and whether you see any trend in more people jumping on that online testing?

Mr HANSEN: I would have to take that on notice. I do not have those numbers in front of me.

ANSWER:

The NSW DPI does not record the number of NSW Restricted Game Hunting Licence (R-Licence) Accreditation Courses run by nominated trainers.

The following information regarding the grant of new R-Licences can be provided.

| | 1 Mar – 30 June 2019 | 1 Dec 2019 – 29 Feb 2020 | 1 Mar – 30 Jun 2020 |
|------------|----------------------|--------------------------|---------------------|
| R-Licences | 2,426 | 776 | 2,178 |

Question 10 (Page 12 of transcript)

The Hon. MARK BANASIAK: Not to put words in your mouth but the health restrictions around travel were fairly vague and when you say you were seeking interpretation from the police, you are saying that the police were determining what would be deemed reasonable?

The Hon. ADAM MARSHALL: Correct.

The CHAIR: Central Coast, wrong; Queanbeyan, okay. For example. I was wondering where the advice came from. You were going to ask Mr Hansen.

Mr HANSEN: We consulted with New South Wales police with regards to how best to interpret the restrictions as per the public health orders, how they would be viewing and how they would be assessing non-essential, how it was interpreted for hunting purposes. We had a discussion about the fact that at that point in time there had just been a closure of the booking system for campsites in a number of public land areas, so the extension of the view for the same purpose of reducing the risk of inter-region transport or movement of people— given the fact that the vast majority of R licence holders do not live locally to a State forest—the closure of the booking system for State forests for hunters. That still allowed those hunters who lived local to private land that they had access to the opportunity to hunt without increasing the risk of people travelling from Sydney over the Great Divide, stopping at petrol stations, grocery stores and so forth with the potential spread that that might create.

The CHAIR: Could you table or provide a copy of the advice you got from police in that regard?

Mr HANSEN: I would have to take that on notice. Given the fact that at that stage a large amount of our conversations with police were via the phone, in terms of a discussion around how they were going to interpret what sounded sensible, what sounded practical and what would they support.

The CHAIR: If you could give details of those if it is in writing, that would be great. Otherwise, details on notice, including when those conversations were happening.

Mr HANSEN: Okay, no problem.

ANSWER:

NSW DPI did not receive any written correspondence from NSW Police in relation to interpretation of the Public Health Orders with regards to hunting. A significant number of phone discussions occurred between Monday 30 March and Friday 3 April 2020 when the closure of State Forest Hunting was announced.

As each updated Public Health Order or announcement was made, discussions were had to determine the impact to hunting in order to support the NSW Government's COVID19 response. The focus of all the discussions was around essential travel and the wording of the travel restrictions within the Public Health Orders and regional travel advice.

At all times NSW DPI's advice to hunters was to refer to the Public Health Orders and restrictions contained within them. NSW DPI also advised members of the public

to contact local Police Stations directly should they have specific circumstances surrounding travel.

Question 11 (Page 13 of transcript)

The CHAIR: Did you send a circular around? Do you have a contact list for the saleyards and have you sent a circular around?

The Hon. ADAM MARSHALL: That is right, yes, I have. I have notified all those various groups and operators that, basically, the restrictions that they are imposing, whilst well meaning, just to make it clear, it is a decision for them but they are not the restrictions that are imposed by the New South Wales public health order. Virtually just to clarify to each of them what the public health orders provide for and what they do not and allowing them to make their own decisions.

The CHAIR: Can you provide us with a copy of that?

The Hon. ADAM MARSHALL: Sure.

The CHAIR: On notice and tell us when it went out?

The Hon. ADAM MARSHALL: Sure.

ANSWER:

On June 16, Minister Marshall issued a media release calling on saleyard operators to open their sales to all vendors and buyers. This followed representation to the Minister that some were being kept out of sales. Please see <https://www.dpi.nsw.gov.au/about-us/media-centre/releases/2020/buyers-and-vendors-need-a-fair-go-at-saleyards>

NSW DPI has worked with individual saleyard operators and the Australian Livestock Markets Association to devise systems which would keep people safe at sales, while allowing improved access. These included pre-registration, sign in on arrival and observing hygiene and social distancing requirements. Reports are that sales are now operating to everyone's satisfaction.

The changes in the Public Health Order to allow livestock and fibre auctions were published on NSW DPI's COVID-19 website.

- On 27 May changes were made to the 'animal movements and care page', under 'Livestock and fibreyard sale auctions'.
 - the heading was changed from 'Livestock auctions' to 'Livestock and fibreyard sale auctions'
 - Content about COVID-19 safety plans and industry guidelines for COVID safe workplaces was added. See below.

Livestock and fibre saleyard auctions

Auction houses that are open to the public for the purpose of conducting an auction for food supply, livestock, fibre or crops or real estate must comply with [social distancing guidelines](#) and [restrictions on the number of people at premises that are open](#).

Livestock includes:

- a) cattle, pigs, goats and sheep,
- b) camelids, deer or equines (including horses, donkeys, asses, mules and zebras),
- c) small poultry (being chickens, turkeys, guinea fowl, ducks, geese, quails, pigeons, pheasants or partridges),
- d) large poultry (being emus or ostriches).

In addition to the above requirements, auction houses that are open to the public for the purpose of conducting an auction for goods other than food, livestock, fibre or real property (this includes an auction of animals that does not meet the above definition of livestock) must also have a COVID-19 safety plan.

For more information about how to create and follow a COVID-19 Safety Plan, see the [Industry guidelines for COVID Safe workplaces](#) developed by the NSW Government to keep workers, visitors and customers safe.

More information on how you can protect workers and others from the risk of exposure to COVID-19 by implementing appropriate cleaning and disinfecting measures for your workplace can be found on the [SafeWork website](#).

Livestock auctions

- Auction houses can only be open to the public for the purpose of conducting an auction for food supply, livestock, fibre or crops or real estate.
- The [4 square metre rule](#) and [physical distancing](#) applies and the number of persons allowed on premises is restricted to 100 people indoors or 500 people outdoors.
- Livestock includes:

- a) cattle, pigs, goats and sheep,
- b) camelids, deer or equines (including horses, donkeys, asses, mules and zebras),
- c) small poultry (being chickens, turkeys, guinea fowl, ducks, geese, quails, pigeons, pheasants or partridges),
- d) large poultry (being emus or ostriches).

Question 12 (Page 14 of transcript)

The Hon. MARK BANASIAK: Just on commercial fishing, how many commercial fishermen have accessed the fee waivers that you have on the DPI website, I think it is over \$1 million? What does that equate to in terms of the number of commercial fishermen?

The Hon. ADAM MARSHALL: I do not have that number in front of me, Mr Banasiak.

Mr HANSEN: That applied to all commercial fishers. We automatically applied that, they did not need to apply.

The Hon. ADAM MARSHALL: That was a broad waiver. We can get you the exact number. It applied to every single one of them. I just do not have that exact number in front of me.

ANSWER:

Number of individual commercial fishing licences that had fees waived : 1060

Number of fishing boat licences that had fees waived : 1053

Number of owners with fishing boat licences that had fees waived : 631

Number of Commercial fishing businesses that had fees waived : 1048

Number of owners that had fishing business fees waived : 827

Question 13 (Page 14 of transcript)

The Hon. MARK BANASIAK: Have there been any estimates of how this has impacted the commercial fishing industry with restaurant trading ceasing, and noting Ms Houssos' examples of oyster farmers providing a lot of their produce to restaurants? Have there been any figures floated about in terms of how this has impacted that industry?

The Hon. ADAM MARSHALL: There have been some estimates. We can provide that to you on notice. It is not just the oyster industry, the abalone industry is also one that stands out in particular. As I said, we are considering some detailed assistance measures for that sector and hopefully we will be announcing that very soon.

ANSWER:

The fisheries that rely upon export markets, for example Abalone and Rock Lobster, have seen the greatest market impacts from COVID-19. In particular, reduction in demand for Abalone has resulted in price impacts of around 40% reported anecdotally by the industry. Similarly, the oyster industry that is reliant upon the hospitality sector for around 70% of sales has been heavily impacted.

Results from a recent commercial fishing industry survey conducted by the Professional Fishermen's Association indicated that commercial fishers had experienced variable levels of negative impacts on sales as a consequence of COVID-19. The majority of respondents to this survey reported that they had experienced between 40-60% downturn in sales.

Given the variability in fishing operations through time the exact impact on catch and effort levels during Covid-19 conditions is difficult to quantify. It was evident in the Abalone fishery that had around 15% of uncaught quota remaining at the end of the annual fishing period on 30 June 2020.

The NSW Government has provided \$9 million in support to the seafood industry through fee waivers and economic stimulus to help the industry recover from Covid-19 market impacts.

Question 14 (Page 15 of transcript)

The Hon. MARK BANASIAK: I am more thinking about what would happen if they had to shut down for 48 hours, seafood still on the road being trucked there, or seafood needing to go to co-ops for sale? If they are closed they cannot sell that seafood and it gets thrown in the bin, essentially, and lost revenue.

Mr HANSEN: This was more about what contingencies can they put in place for handling stock on hand and stock en route to make sure that that was not at risk.

The Hon. MARK BANASIAK: On notice would you be able to provide some details as to what those contingencies were?

Mr HANSEN: Sure.

ANSWER:

NSW Health confirmed that as a crucial food market, Sydney Fish Market's auction is exempt from the ban and should continue to operate. As an indoor venue they restricted access to the auction floor and surrounding areas (including the buyers' stand) to a maximum of 100 people at any one time.

Arrangements for additional buyers to be accommodated in separate locations have been made to ensure that all buyers who wish to participate have full access to the daily auction process. Strict social distancing has been enforced.

Question 15 (Page 15 of transcript)

The Hon. COURTNEY HOUSSOS: Can I ask Mr Hansen, or Minister, do you have any additional information? Were there alternating labour force arrangements? What was in place? It is not just fish markets, it is processing —

Mr HANSEN: Meat processors and intensive livestock industries, yes. What we did was we worked with NSW Health and in some cases we plagiarised what had been done in other jurisdictions or in other locations to be able to take the work that had been done there but basically produced a series of guidelines that can be used by facilities. Those guidelines were then tailored by each facility to suit their particular operation, their scale, their size. We can make available those standard guidelines that were produced. They start first and foremost at how do these facilities, first of all, protect the human health of the workers and the customers, then moved on to how they protect any animal welfare issues, or address any animal welfare issues, then move down to product security, and then move down to minimising economic losses.

The Hon. COURTNEY HOUSSOS: We were talking about the Rural Assistance Authority, if you can provide those numbers by program and month so we can see over time how they have —

Mr HANSEN: Over the last 12 months?

The Hon. COURTNEY HOUSSOS: Yes, that would be useful, thank you.

ANSWER:

Please refer to the answer to Question 3.

Question 16 (Page 15 of transcript)

The Hon. COURTNEY HOUSSOS: Are you able to tell me whether that is still the arrangement that is in place, the amount is just deferred then it is payable at the end of the deferral period? Or is it then put on to the end of the loan, or are the loan repayments extended over a period? What is the arrangement?

Mr HANSEN: I do not have the individual details because it will vary by individual customer in terms of what they have sought in terms of those deferrals, but we are able, probably not by customer, but to give you the types of arrangements that they have sought. We can give you that on notice.

ANSWER:

At the conclusion of a deferral period, the RAA works with customer to ascertain the best way forward depending on their individual circumstances. This can include a further deferral if the customer is still experiencing financial hardship and/or altering the payment arrangements to suit their capacity to pay.

The RAA attempts to contact every customer approximately one month prior to the conclusion of a deferral period. If the RAA is unable to contact the customer by telephone or email, a letter is sent requesting them to make contact with the RAA. If contact is not made, and an alternate arrangement not entered into before the deferral period concludes, the deferred amount becomes payable at the conclusion of the deferral period.

Question 17 (Page 26 of transcript)

The Hon. ADAM SEARLE: That is really where my questions were going. You have got the slowdown or the closure of manufacturing, I think including using Australian wool, in both Italy and China and other places as well. Has that lack of demand then flowed through and impacted on Australian wool producers? If so, what is the nature of that impact? Can you quantify it?

Mr HANSEN: I am not sure if I can quantify it right here.

The Hon. ADAM SEARLE: No. I am happy for you to take it on notice.

The Hon. ADAM MARSHALL: We will take it on notice.

ANSWER:

The primary impact felt by producers has been the declining wool price. The Eastern Market Indicator (EMI) has declined from a recent high around 1600 cents/kg in January to 1,116 cent/kg as at the beginning of July. This represents a decline of approximately 30% which will have an impact on farm profitability. (Source: AWI)

A secondary impact from this has been reflected in potential wool sales as indicated by Australian Wool Exchange (AWEX) market offerings. AWEX reports that there was 12.4% less bales offered for sale and 18.8% less bales actually sold in the 2019-20 season compared to a year prior, with many producers choosing to retain bales on-farm in response to the weak market. Pass-in rates were also higher-than-average, further highlighting grower's reluctance to sell at the lower prices. The average national pass-in rate for the 2019-20 season was 16.4%, while the long-term average passed-in rate for wool at auction is normally under 10%. (Source: AWIS)

As the majority of wool is exported, any reduction in demand is likely to affect wool exports. NSW wool exports have been gradually declining since a peak in September 2017, reflecting that the drought has been the main driver behind lower export sales over the medium term. (Source GTA). Lockdowns in the US and Europe and India saw reduced demand, often leaving Chinese buyers as the only major purchaser and in a strong position to dictate price.

Question 18 (Page 26 of transcript)

The Hon. ADAM SEARLE: I assume that if the wool production industry in New South Wales was hurting as a result of the cessation or slowdown of manufacture overseas they would have reached out to you. Have you had representations from the industry around that?

The Hon. ADAM MARSHALL: I have not as yet, Mr Searle, but we can take that on notice and try to get you some information to quantify.

ANSWER:

COVID-19 Support Team:

No issues have been raised to the COVID-19 inbox

Issues raised via the working groups:

Issues raised by Australian Wool Innovations in the Intensive/Extensive Livestock Working Group

| Date Raised | Issue |
|-------------|--|
| 24 April | <ul style="list-style-type: none">• There will be long term market issues that arise from the shutdowns in key markets for the wool industry• One of the challenges in supporting wool grower engagement is managing the overload of information/education being available in one time |
| 12 May | <ul style="list-style-type: none">• Wool industry going fairly well, good social distancing, sending a lot of good info out• Wool will have a long period of poor prices• Concern around complacency, need to keep focus, but do not want to double up on info and ensure consistency of other information available• Good prices now and no pressure on supply but about to head into normal restocking phase which may involve some plant closures due to lack in supply. |
| 26 May | <ul style="list-style-type: none">• Wool market stabilizing over the last few weeks, but may retract a little more.• Longer term looking at other marketing opportunities with clothing and reduced reliance on processing partners in particular parts of the world |
| 9 June | <ul style="list-style-type: none">• Marketing team focusing on how people are spending money, maybe investing in quality.• Saw a market kick last two weeks, need to see how this progress |

The Eastern Market Indicator stood at 1550 c/kg on 9 March 2020. It was 1134 c/kg on July 9 and had been as low as 1110 on June 25. Low cash reserves mean farmers still need to sell at this price. Increased manufacturing in China for domestic demand is helping a small rebound in price.

Question 19 (Page 26 of transcript)

The Hon. ADAM SEARLE: Do you have any information you could provide the Committee about the slowdown of production in industry of New South Wales and other sectors as well?

Mr HANSEN: Certainly we can show you the destocking and the impact that is having on the number of sheep in this State, for example, over the last couple of years.

ANSWER:

The latest state level herd and flock data is for 2018-19. Since pre-drought levels in 2016-17, the NSW total sheep flock has declined by 16.9% to 2018-19. This is largely a result of the drought conditions in NSW. The NSW Merino ewe flock declined by 5.8% and fared the drought better than the rest of the flock (Source: ABS).

Nationally the sheep flock is projected to decline by 3.5% to June 2020, before increasing again by 3.2% in 2020-21 as a result of improved seasonal conditions allowing restocking activities to take place (Source: MLA).