

MINISTER FOR AGRICULTURE AND MINISTER FOR CORRECTIVE SERVICES

OVERVIEW

<i>Agency</i>	<i>Budget 2001-02 \$m</i>	<i>Budget 2002-03 \$m</i>	<i>Variation %</i>
Department of Agriculture			
Total Expenses	224.2	240.5	7.2
Asset Acquisitions	11.5	12.8	11.4
Rural Assistance Authority			
Total Expenses	26.5	32.0	20.8
Asset Acquisitions	0.1	0.1	...
Department of Corrective Services			
Total Expenses	560.3	612.1	9.2
Asset Acquisitions	85.9	117.1	36.3
Safe Food Production NSW			
Total Expenses	13.3	13.1	- 1.1
Asset Acquisitions	0.8	6.0	650.0
Total, Minister for Agriculture and Minister for Corrective Services			
Total Expenses	824.3	897.7	8.9
Asset Acquisitions	98.3	136.0	38.4

DEPARTMENT OF AGRICULTURE

The Department of Agriculture's key role is to assist the New South Wales food and fibre industries to be environmentally sustainable and economically viable.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Projected expenditure in 2001-02 is \$236.3 million. Some notable enhancements to the Department's expenditure and budget in recent years include assisting noxious weed control and providing science based solutions to problems with salinity, acid soils, water use efficiency and on-farm risk management. To support these initiatives, while improving productivity and efficiency, the Department has continued modernising and rationalising its internal corporate support services.

STRATEGIC DIRECTIONS

The Department's primary mission is to contribute to the State's \$8 billion per annum agriculture industries. The New South Wales economy, farmers and rural and regional communities are the main beneficiaries of the Department's research, advisory, education and regulatory services.

The key thrust of the Department's 2001-04 Corporate Plan is to provide practical, economically viable solutions to current agricultural and environmental problems. The aim is to assist the profitable production of high quality, residue free food and fibre products for increasingly diverse domestic and overseas markets, in synergy with the community's commitment to the care of the State's fragile environmental resources.

The Department's key strategies to achieve these goals are to:

- ◆ provide innovative and internationally competitive production, marketing and management technologies to industry;
- ◆ develop environmentally and economically acceptable practices for industry;
- ◆ minimise the risk of plant and animal diseases to agriculture, the environment and the community; and
- ◆ provide policy advice, information and regulatory responses to natural disasters, animal welfare and national competition policy.

2002-03 BUDGET

Total Expenses

Components of the Department's \$240.5 million total expenses for 2002-03 are:

- ◆ \$75.3 million for innovative and internationally competitive agricultural industries programs aimed at delivering credible science based research into productivity efficiency and marketing, delivering accredited training and maintaining certification systems to ensure market access. This is an increase of \$4.7 million on the 2001-02 Budget;
- ◆ \$60.8 million for sustainable natural resource management programs aimed at providing solutions for sustainable farm management practices through adult learning techniques and peer group support with farmer groups. This is an increase of \$1.8 million on the 2001-02 Budget;

- ◆ \$75.3 million for animal and plant protection programs to deliver credible information on pest and disease control, chemical residues, disease surveillance and chemical contamination from agricultural practices. This is an increase of \$5.4 million on the 2001-02 Budget; and
- ◆ \$29.2 million for serving the broader community programs to deliver and manage the State's animal welfare legislation, respond to natural emergencies, support regional and rural development and provide advice to the Government. This is an increase of \$4.4 million on the 2001-02 Budget.

Major allocations in the 2002-03 Budget include:

- ◆ \$2 million to continue combating the problem of soil acidity, including acid sulfate soils;
- ◆ \$0.9 million to fund actions under the Government's four-year \$52 million salinity strategy. Approximately \$13 million is being spent on salinity in 2002-03 across several agencies;
- ◆ \$1.7 million for the fifth year of the Government's five-year water reform program. An additional allocation to New South Wales Agriculture of \$7.2 million over three years, including \$1.1 million in 2002-03, has been made to further assist in the process of water reform as embodied in the *Water Management Act 2000*;
- ◆ \$7 million to improve the delivery of noxious weed control programs across New South Wales through local government authorities;
- ◆ \$1.4 million to assist the sheep industry combat Ovine Johne's disease;
- ◆ \$4.5 million towards the establishment of Safe Food Production NSW to oversee and coordinate food safety regulations across all New South Wales' food industries; and
- ◆ \$1.9 million towards biotechnology projects, including the establishment of an agricultural genomics centre at Wagga Wagga.

Asset Acquisitions

In 2001, NSW Agriculture produced its first asset strategic plan to facilitate asset management planning within the Department.

A key component of the Department's capital strategy is the move to deliver multiple services from the Department's centres of excellence.

The program focuses on linking the Department's asset requirements to service delivery needs.

Major items of NSW Agriculture's \$12.8 million asset acquisition program for 2002-03 include:

- ◆ \$2.5 million to enhance and upgrade information technology infrastructure;
- ◆ \$1.5 million for construction of an anthrax laboratory at Menangle;
- ◆ \$1 million to complete a sustainable education centre at Tamworth;
- ◆ \$0.4 million for construction of a new genetic plant research laboratory at Wagga Wagga;
- ◆ \$0.3 million to extend video surveillance for cattle tick at Numinbah;
- ◆ \$0.3 million for a new vocational education training facility at Orange;
- ◆ \$0.3 million for the progressive implementation of a laboratory information management system;
- ◆ \$0.2 million for a new glasshouse at Wagga Wagga; and
- ◆ \$0.2 million for a new insectary at Narrabri.

RURAL ASSISTANCE AUTHORITY

The Rural Assistance Authority administers:

- ◆ the provision of assistance to primary producers under the advancing Australian agriculture package;
- ◆ the special conservation scheme, which provides concessional rate loans to assist farmers to implement improved land management practices;
- ◆ the natural disaster relief scheme on behalf of the State, which provides assistance to both producers and small businesses suffering from the effects of natural disasters;
- ◆ financial support for water use efficiency schemes under the water reform structural adjustment package;

- ◆ financial support for farmers to attend training programs under FarmBis;
- ◆ the *Farm Debt Mediation Act 1994*, which requires financiers to offer farmers mediation prior to commencing legal recovery action on secured debts; and
- ◆ other initiatives such as the Murrumbidgee Rural Partnership Program and West 2000 Plus Scheme.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Projected expenditure in 2001-02 is \$16.5 million. The FarmBis – Skilling farmers for the Future Program, commenced on 1 July 2001. This is an assistance scheme for farmers to undertake farm business management training. The New South Wales and Commonwealth Governments are providing joint funding of \$26 million over three years.

The Authority also manages the Water Use Efficiency Scheme as part of the Water Reform Structural Adjustment Program. A total of \$25 million will be spent on the scheme over a five-year period. The scheme is designed to encourage irrigators to make optimal use of irrigation water by providing financial assistance to irrigators with the capacity to undertake capital improvements to increase on-farm water use efficiency and the adoption of water use monitoring technologies.

The West 2000 Plus Program commenced in 2001-02. The scheme will allow farmers in the Western Division to improve their economic performance, business management skills and develop alternative industries. The region's natural resource base will also be better managed.

STRATEGIC DIRECTIONS

The Authority will continue to place emphasis on measures which improve performance in the areas of productivity, profitability, sustainability and farm financial management skills.

2002-03 BUDGET

Total Expenses

In 2002-03, total expenses of the Authority are budgeted at \$32 million.

Key areas of expenditure include:

- ◆ \$14.9 million for the Advancing Australian Agriculture program, which includes FarmBis and "Exceptional Circumstances" provisions;

- ◆ \$8.9 million for the Water Use Efficiency scheme;
- ◆ \$2.9 million for the Murrumbidgee Rural Partnership program; and
- ◆ \$2.5 million for the West 2000 and West 2000 Plus schemes.

Special Conservation and Natural Disaster Schemes

The Authority manages the Special Conservation Scheme that provides concessional interest loans for works such as soil conservation, irrigation and water supply. Loans are provided on the basis that the proposed works would have a beneficial impact on the land, the community and the environment. An amount of \$7 million has been provided for the scheme in 2002-03.

The Authority also manages the Natural Disaster Relief Scheme on behalf of the State. Under this scheme, concessional rate loans are made available to assist eligible primary producers and small businesses recover from the effects of natural disasters, such as storms, floods or bushfires. In 2002-03, \$2 million has been notionally provided for this scheme. Additional funding will be provided if required and will depend on the extent and severity of any natural disasters that occur.

Asset Acquisitions

The Authority receives a minor allocation of \$50,000 for the replacement and upgrade of computer facilities.

DEPARTMENT OF CORRECTIVE SERVICES

The mission of the Department is to “reduce re-offending through secure, safe and humane management of offenders.”

Custody and security of inmates in correctional facilities, the provision of a court escort and security service and the supervision of offenders in the community are key elements of the criminal justice system.

The core business objective of the Department is to provide custodial and offender management services in carrying out orders of the court. The Department adds value by delivering offender development programs which seek to reduce rates of re-offending.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure trends within the Department are impacted by both the level of the full-time inmate population and the number of offenders managed under community based programs. The full-time inmate population of correctional centres averaged 5,002 in 1990-91 and has increased to in excess of 7,700 in early April 2002. The inmate population is projected to exceed 9,600 inmates by December 2005.

In addition to the projected increase in full-time inmates, the Department will continue to experience significant growth in the community corrections area. The Probation and Parole Service, which provides offender management programs and services within the community and pre-sentence reports to the judiciary, has also seen a marked increase in workload in past years.

Capital funding of \$15 million has been provided in 2002-03 for additional inmate accommodation which will be necessary following the Government decision to tighten bail conditions for repeat offenders. The capital program will provide \$117.1 million in 2002-03 compared to the \$85.9 million provided in 2001-02.

STRATEGIC DIRECTIONS

Strategic issues for the Department in 2002-03 include;

- ◆ responding to increasing levels of inmates and offenders in correctional centres and the community;
- ◆ improving offender risk/need assessment and case management to better integrate established offender management and development programs;
- ◆ developing a model of throughcare to improve correctional outcomes via linkage of community based programs, custodial case management and inmate development programs and by the building of strategic relationships with government and non-government providers of post release services to inmates;
- ◆ responding to a projected increase in remand inmates requiring intense supervision and risk assessment, as a result of the proposed *Bail Amendment (Repeat Offenders) Bill 2002*; and
- ◆ responding to an increasing number of inmates entering the correctional system suffering from mental health disorders.

2002-03 BUDGET

Total Expenses

Estimated total expenses of \$612 million in 2002-03 will be incurred on functions of the Department which include offender management in the community and within institutions, delivery of developmental programs and the provision of secure offender management within selected court and police cells.

Provision has been made in 2002-03 for the following:

Increased Inmate Numbers

Funding has been provided for expansion of the Department's correctional bed capacity to cope with the increase in inmate numbers. This is estimated to cost \$11.4 million in 2002-03. This funding is in addition to funding provided for bail reforms for repeat offenders mentioned below.

Bail Reform

Additional funding of \$17.3 million has been provided in 2002-03 to meet the operating costs of changes to the Bail Act in respect of repeat offenders. The number of remand inmates may increase by up to 800 over the coming two financial years.

Increased Offenders in the Community

The additional 2002-03 allocation of \$5.1 million addresses the projected growth in offenders under community supervision. The number of offenders under community supervision is expected to rise from 21,518 in 2001-02 to 22,265 in 2002-03. In addition, the number of pre-sentence reports requested by courts is expected to rise from 28,000 in 2001-02 to 32,000 in 2002-03.

Mental Health Assessment Units

Funding has been provided in the Department's 2002-03 capital program for construction of 40 new beds for men in a Mental Health Assessment Unit at the Metropolitan Remand and Reception Centre. A similar unit with 10 beds for women will be constructed at Mulawa Correctional Centre, Silverwater.

The facilities will be jointly operated by the Department and the Corrections Health Service of the Department of Health. Additional recurrent funding of \$0.9 million in 2002-03 has been provided to the Department of Corrective Services for its operating costs associated with the provision of mental health services.

Throughcare Community Grants

Additional funding of \$0.8 million has been provided in the Department's 2002-03 recurrent budget for an increase in the grants provided to non-government agencies. The community grants program assists non-government organisations which support inmate rehabilitation both during and after their periods of incarceration.

Asset Acquisitions – New Works

The 2002-03 capital program, which totals \$117.1 million, will include commencement of thirteen major new works. Highlights of the major new works program of \$14.4 million are detailed below:

Electronic Case Management

This project will build on initiatives in case management and risk assessment and will consolidate an information base to deliver quality services to high-risk offenders.

The estimated total cost of the project is \$8.5 million (\$3.0 million in 2002-03) with completion anticipated in 2005-06.

Integrated Management System Upgrade

This project covers a three-phased upgrade to the latest available release (called Ellipse) of the Department's Integrated Management System.

The estimated total cost of the project is \$7 million (\$0.5 million in 2002-03) with completion anticipated in 2003-04.

Long Bay Hospital Redevelopment

This project involves the development of a new 85-bed prison hospital to provide inpatient health care to inmates who require admission to hospital. The new prison hospital will replace the existing hospital which has only 54 beds available for the general inmate population. The existing facilities will be inadequate for projected correctional system requirements in the future.

The estimated total cost of the project is \$50.5 million (\$2 million in 2002-03) with completion anticipated in 2005-06.

Additional Inmate Accommodation relating to Bail Reform

Major new works funding of \$8.9 million has been provided in 2002-03 for additional inmate accommodation which will be necessary following the Government decision to tighten bail conditions for repeat offenders. The 2002-03 program will provide funding for commencement of ten major new works to address the accommodation requirements of an increasing inmate remand population.

Asset Acquisitions – Works in Progress

Western Region Correctional Centre

This project will provide for a 350-bed multi-classification correctional facility, including components for female and remand inmates, similar to the model developed for the Mid North Coast Correctional Centre at Kempsey.

An additional 150 beds will be added to the project as a result of the need for additional beds for offenders incarcerated as a result of the abovementioned tightening of bail conditions for repeat offenders. This will convert the project into a 500-bed facility.

The Department is assessing the project for development as a Privately Funded Project under existing Government guidelines.

The estimated total cost of the original 350-bed project is \$90 million (\$8 million in 2002-03) with completion anticipated in 2005-06.

Mental Health Assessment Units

This project will provide 40 new beds for men in a Mental Health Assessment Unit at the Metropolitan Remand and Reception Centre. A similar unit with 10 beds for women will be constructed at Mulawa Correctional Centre, Silverwater as part of a women's health facility upgrade.

The estimated total cost of the project is \$24 million (\$8 million in 2002-03) with completion anticipated in 2004-05.

200-Bed Parklea Metropolitan Remand Centre

This project involves the upgrade of existing infrastructure and the construction of purpose built remand accommodation as an expansion of Parklea Correctional Centre. The Centre will provide 200 new beds for young offenders in order to address the accommodation requirements of an increasing inmate remand population within the Sydney Metropolitan area.

The estimated total cost for the project is \$40.2 million (\$9.5 million in 2002-03) with completion anticipated in December 2002.

350-Bed Mid North Coast Correctional Centre at Kempsey

This project involves the construction of a purpose built multi-classification Correctional Centre for male and female inmates. The Centre will provide 350 new beds in order to address the accommodation needs of an increasing inmate population, and a deficiency in accommodation on the Mid North Coast.

The estimated total cost for the project is \$81.6 million (\$27.7 million in 2002-03) with completion anticipated in 2004-05.

200-Bed Metropolitan Women's Correctional Centre

This project involves construction of Dillwynia Correctional Centre for female inmates at South Windsor. The Centre will provide 200 new beds and operate as a multi-classification Centre.

The estimated total cost for the project is \$53.6 million (\$25 million in 2002-03) with completion anticipated in 2003-04.

Goulburn Redevelopment - Stage Two

The redevelopment relates to the newly commissioned intensive case management facility for seventy-five inmates. The redevelopment also includes a new visiting facility, new gatehouse, control room, administration building and accommodation for the Emergency Unit.

The estimated total cost of the Stage 2 redevelopment is \$47.5 million (\$4.5 million in 2002-03) and completion is scheduled for December 2002.

Long Bay Redevelopment

The redevelopment will cater for therapeutic special needs programs such as those for sex offenders, violent offenders, inmates with intellectual disabilities, those at high risk of suicide, medical transients and offenders with major drug and/or alcohol problems.

The estimated total cost of the project is \$36.4 million (\$8.1 million in 2002-03) and the redevelopment is scheduled for completion in June 2003.

Inmate Escort Vehicles

Funding has been provided in 2002-03 for completion of a program of acquisition of additional vehicles for inmate transport activities.

The estimated total cost of the project is \$1.1 million with \$0.6 million allocated in 2002-03.

SAFE FOOD PRODUCTION NSW

Safe Food Production NSW (Safe Food) was established in December 1998 as a first step towards a single government agency responsible for food safety. Safe Food's coverage, which is being implemented in stages, extends from production, harvest or catch to the "back door of retail". Safe Food also covers retail butcher shops and supermarket meat departments.

Safe Food develops and manages food safety schemes. Each scheme is tailored to specific industries or sectors and is introduced by regulation. Dairy and meat food safety schemes have been effected. A seafood safety scheme regulation was introduced in December 2001. Schemes are also being developed for plant products and goat and sheep milk.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Government initially intended that Safe Food would be completely funded by industry through licence fees, audit fees and levies. In December 2000, the Hon. John Kerin was appointed to review these arrangements and related issues. The Government has since accepted all recommendations in the final report of the Kerin funding review. Under this framework, it was agreed that the funding of Safe Food would be shared by government and industry.

A further review of Safe Food under Section 73 of its legislation is presently underway. This will determine whether retail and food service sectors should be covered by Safe Food.

STRATEGIC DIRECTIONS

Safe Food's mission is to protect consumers by developing scientifically robust food safety systems and ensuring their effective adoption by the New South Wales food industry.

Safe Food's key strategies are:

- ◆ ensuring that food safety scheme requirements are based on sound science, are proportionate to food safety risks, and are regularly reviewed;
- ◆ involving stakeholders, including industry and consumers in scheme development and review processes to ensure that food safety requirements are practical, effective and understood by industry;
- ◆ establishing robust mechanisms for consultation on the continuing operation of food safety schemes; and
- ◆ maintaining strong awareness of emerging food safety issues and regulatory developments.

2002-03 BUDGET

Total Expenses

Total expenditure in 2002-03 is estimated at \$13.1 million. The major expenditure area relates to the provision of food audit and licensing services.

Asset Acquisition

Total asset acquisitions in 2002-03 are estimated at \$6 million. This includes the purchase of an office building to provide for Safe Food's future accommodation requirements at a total cost of \$7.5 million, including \$5.5 million in 2002-03.