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MIN. BIGNELL

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Hon Leon Bignell MLC
Minister for Agriculture, Food & Fisheries
GPO Box 464
ADELAIDE SA 5001

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South Australia
Sheep Advisory Group

Dear Minister

Retention of the SA Sheep Advisory Group

Following Premier Weatherill's recent announcement of the State's intention to abolish all Government Boards and Committees, the South Australian Sheep Advisory Group (SASAG) strongly recommends that the SASAG and the administration of the Sheep Industry Fund is retained as it currently stands.

In short, the SASAG believes that the Livestock Advisory Group (Sheep) model provides an essential function, efficiently bringing together independent stakeholders who can be consulted, forming a consensus that informs not only the development of public policy, but also guides administration of the Sheep Industry Fund which invests in the State's sheep sector to advance livestock health, productivity and business profitability.

The SASAG model is a unique and valuable operating model, rare outside of the agricultural sector, whereby industry representatives are making recommendations for an industry that is self funded via a transaction levy on all participants in the supply chain.

Essential function

The SA sheep industry employs over 15,000 people, includes over 12,000 properties whilst also providing 14% of South Australia's total agriculture, food and wine production in 2012-13. This economic contribution was achieved from the processing of 4.9 million sheep and lambs (121,200 tonnes) valued at \$584.9 million and 10,900 tonnes of wool, valued at \$338 million.

It is in the best interest of Government and industry to have the most efficient and informed communication model in place to support this economic engine in our regional communities.

Efficient Development of Public Policy

The SASAG gives industry advice to the Government through the Minister, via meetings of the Group's representatives, of whom nine of the 10 are drawn from industry organisations and producers. These representatives operate businesses from the arid pastoral zone through to high rainfall districts and Kangaroo Island. All representatives have cropping and/or grazing backgrounds and operate businesses that include stud, commercial and intensive finishing systems. They also represent the interests of producers from all major sheep industry organisations operating in our state including; Livestock SA, Merino SA, SA British Breeds, Wool Producers Australia and the Sheepmeat Council of Australia.

Supporting the SASAG are the technical sub-committees that it convenes to address specific industry issues, most recently Ovine Johne's disease and footrot. Again this advice is derived from a broad range of industry stakeholders including producers, private veterinarians, and allied service providers, a valuable resource at the Minister's disposal.

Therefore the SASAG consultation model is a cost effective and efficient way to get a broad cross section of the industry involved in the vital decision making that affects the sheep industry in a range of issues including biosecurity, on-farm productivity, predator control, market access and emergency preparedness.

Adequate levels of independence from government

With the SASAG providing the Minister with advice in relation to the administration of the Sheep Industry Fund, a level of relative independence from industry representative bodies is achieved, necessary when apportioning and raising levy monies of which those bodies are partly themselves recipients.

Each SASAG industry representative is independent from Government, without any alliances, and gives a large amount of time and expertise from across a range of sectors to benefit the whole industry. A number of the group have been in the industry their whole working lives and draw on lessons learned over this period to best inform the Minister. Add to this their total independence which gives advice without personal agendas.

Sheep Industry Fund Administration and Investment

The Sheep Industry Fund (SIF) was established in 1999. Since its inception, the SASAG has recommended to the Minister the projects to which industry funds, collected from the sale of every sheep in SA, should be allocated, and how to maintain the Fund for the benefit of all contributing producers.

Ensuring that funds are invested wisely and efficiently is based on knowledge of current industry issues across all facets of the supply chain.

Protecting the state against major threats of disease and maintaining market access are a major focus of the group. Over time, the SIF has been called on to finance an increasing number of biosecurity measures once paid for by Government. It is important that industry members advise on the allocation of this spending.

The Group has been a leader in the establishment of strong biosecurity measures, especially in relation to Ovine Johne's disease. The success of the OJD control program is recognised internationally, especially on Kangaroo Island where by rigorously following a suite of control options, sheep producers have successfully reduced the prevalence of the disease. The Control Program is held up as an example of excellent disease control at minimum cost.

Recently the SASAG and SIF were instrumental in initiating and successfully bidding to host LambEx 2014, the biennial national sheep industry conference in Adelaide. The event was heavily oversubscribed by delegates and exhibitors alike, resulting in registrations having to close a month early. Over the two days of the event, in excess of 850 delegates from across Australia, and overseas (including New Zealand, Europe, North and South America) met to hear the latest thinking, forecasts and developments from leading producers, service providers, processors, retailers and educators.

This was made possible by the financial support of the SIF, and demonstrates the cohesive and collaborative structure in which all of the state's sheep industry supply chain, from producers' right through to processors, works to promote and improve our produce.

When considering these investments the SASAG is ever conscious of its fiduciary duties and while it is open to all new and innovative ideas, it is careful to avoid recommending spending industry funds on projects that duplicate work already occurring or do not benefit the state's industry as a whole.

The cost to run the SASAG, based on a five year average (2009-10 to 2013-14) is \$113,009 per annum. Of this, the SIF accounts for 95% of costs (including 100% direct costs for the employment of a dedicated Project Officer to support the group).

Consultation and Consensus

The SASAG representatives can draw on their networks across all areas of the sheep industry and provide that information back to Government through the Minister. At present in South Australia there is no other body or Group that can draw together the information or resources that the SASAG can.

A recent example of this was the consultation on the enhancement of the National Livestock Identification System where the SASAG assisted the South Australian National Livestock Identification Scheme (NLIS) Sheep & Goat Implementation Committee, a joint industry and government partnership. This Committee made recommendations on the retention of the existing mob based NLIS or the move to an electronic ID or Radio Frequency Identification (RFID) based NLIS.

The SASAG understands that the Government needs to ensure robust governance in consideration of costs, value for money and timeframes when using public funds for the purpose of developing public policy. However it would be counter-productive to lose a well-established, effective and efficient advice platform that underpins the State's valuable reputation as a producer of premium food and fibre from a clean environment.

While new communication technologies may provide alternative avenues for Government to seek stakeholder and community input into the development of public policy, the most valuable contributions are those that are drawn from the broadest base and are well considered to avoid reactive 'knee-jerk' decisions from the pleas of 'squeaky wheels'.

Retain the SA Sheep Advisory Group

In conclusion, the SASAG strongly recommends that the Government retains the SASAG to inform the development of public policy and guide administration of the Sheep Industry Fund investment in the State's sheep sector to underpin the future productivity and profitability of our State's sheep businesses.

Should you have any questions, please don't hesitate to call me on [REDACTED]

Thank you for your ongoing support of the SA sheep industry.

Yours sincerely



Jane Kellock
CHAIR, SA SHEEP ADVISORY GROUP