



PAEC Budget and Estimates Hearing 2011-12

The Honourable Peter Walsh, Minister for Agriculture and Food Security
Thursday 19 May 2011

DPI Overview

Around 2,600 staff

Over 70 locations



Agricultural Priorities:

- Boosting agricultural productivity, profitability and export opportunities
- Developing new technologies and gaining adoption of R&D
- Improving biosecurity and enhancing market access
- Prepare, plan and manage emergencies efficiently and effectively

Food and fibre in the Victorian economy

Agriculture remains a very important sector

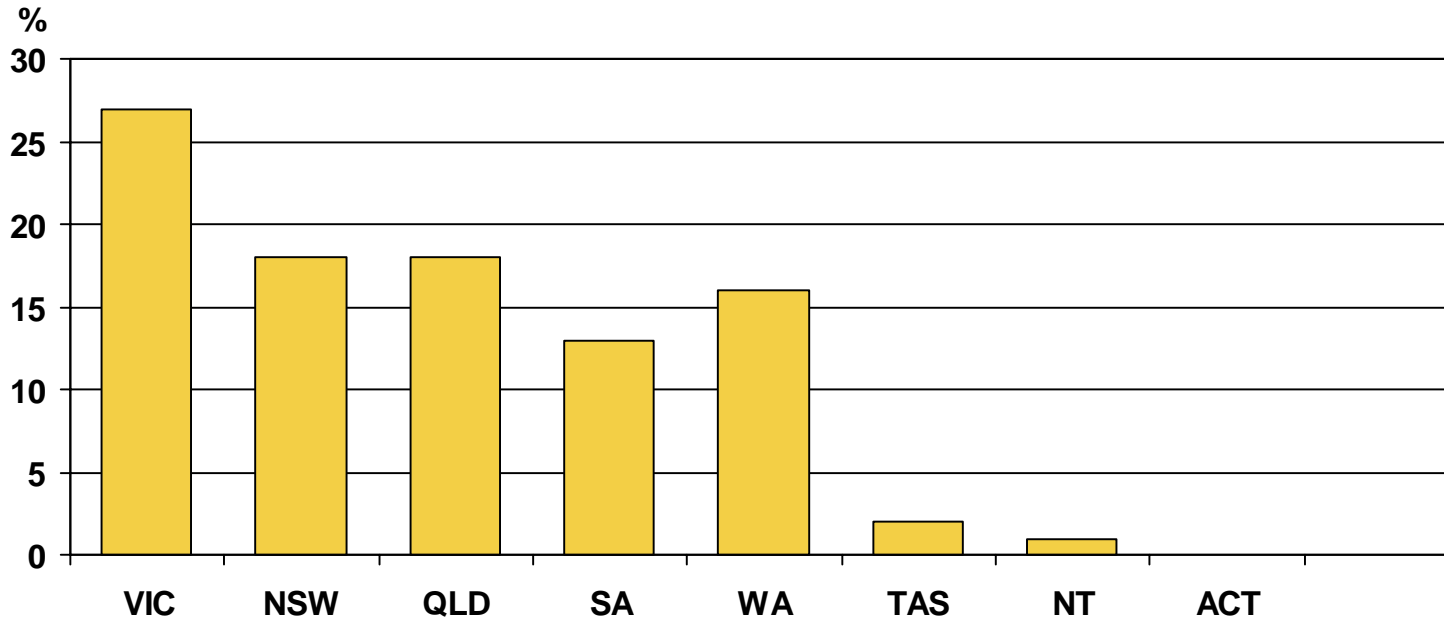
- Agriculture, including forestry and fishing, contributes \$6.47 billion billion of Gross State Product at farm gate
 - Also substantial value adding in food manufacturing
- Victoria produces 24.3% of Australian agricultural output by value from only 3% of the country's arable land (2009)

Agriculture is a significant employer

- 33,000 businesses engaged
- 77,500 persons employed
- Major flow on employment in food processing and rural towns

Outcomes

Victoria's food and fibre exports were worth \$6.7 billion in 2009-10, this is 27% of the Australian total



Agriculture Challenges

- Ensuring the supply and integrity of food
- Increasing productivity to meet demand (national and international)



Agriculture Opportunities

- Increasing global demand for high-quality food
- Freedom from many significant diseases
- Use natural resources more efficiently
- New technologies and farm practice innovations
- History of continual innovation and adoption of technologies
- High confidence in food safety systems
- Competitiveness of primary industries internationally
- Smarter client segmentation to target new products/services

DPI Agriculture Challenges

Legacy of declining funding

DPI has had to make savings in recent years. During this time it has also faced challenging emergencies such as bushfire recovery, flood recovery, fruit fly outbreaks and locust outbreaks.

- Significant efficiencies found
- Reallocations to higher priorities

Response

Investment in new technology, facilities and regional Victoria to better enable DPI

- \$31.3 million to bring services and information direct to the farm gate through field-based mobile computing technology
- \$73.2 million to establish a new Biosecurity centre of excellence at DPI's existing Attwood site

Challenge

Victoria's role in food security

- In 2010, each Australian farmer feeds on average 155 people (up from 19 people in 1950). The global population is currently 6.8 billion
- In 2050, the projected global population is projected to rise to 9.3 billion. To feed this population, agricultural production will need to rise by 70% from the same land and water resources

Response

Research and Development

- Victoria is a key part of the National Primary Industries Research, Development and Extension framework
- Victoria is the national leader in dairy and the centre of excellence is at DPI Ellinbank
- Joint leadership including lamb, climate change, water use efficiency, animal welfare and plant biosecurity
- AgriBio will be one of Australia's premier biosciences facilities focussing on cutting-edge agriculture research

Climatic Conditions

Flood Assistance

In addition to immediate emergency support:

- \$11.9 million support package for farmers and small businesses
- \$21 million support for irrigators

Bushfire Assistance

\$4 million to undertake research to address smoke taint on wine production from bushfires



Attracting more young people into food and fibre production

Support for Young Farmers

- \$1.2 million to extend the First Farm Grant
- \$1 million to reinvigorate Victorian Young Farmers to support young people in rural areas



Domestic Animal Welfare

Stronger and More Effective Controls

- \$4 million funding for the RSPCA
- More powers for the RSPCA to enforce Codes of Practice for Breeding Establishments
- \$531,000 funding to continue the 'We are Family' Responsible Pet Ownership program



Weeds, Pests and Diseases

Weeds and Pest Animals

- \$21.2 million to strengthen regional Victoria's capacity to control, prevent and eradicate high-risk weeds and pest animals

Wild Dogs and Foxes

- \$4 million for a wild dog and fox bounty program

Emerging Biosecurity Threats

- \$255,000 to help bee industry protect against varroa mite



Supporting fishing and regional communities

Increased funding for recreational fishing

\$16.2 million to enhance fishing opportunities by boosting stocking and improving infrastructure

\$1.9 million to increase production of recreational species such as Murray cod, golden perch and trout



Securing the forestry industry for the long term

Forestry

- Native forest resource availability
- Threatened species management
- Complexity of the regulatory environment
- Increase long term resource security
- Improve surveys for threatened species
- Simplify industry's interface with government including VicForests



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