

# Border Fence Maintenance Regulation 2018—regulatory impact statement

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**Border Fence Maintenance Regulation 2018—regulatory impact statement**

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# 1. Summary

The Border Fence Maintenance Regulation 2009 (the BFM Regulation) is due for staged repeal on 1 September 2018. Remaking this Regulation requires the preparation of a regulatory impact statement (RIS) and a period of public consultation.

The BFM Regulation supports the *Border Fence Maintenance Act 1921* (the BFM Act). The BFM Act provides for the maintenance of the wild dog border fence along parts of the South Australian and Queensland borders of New South Wales (NSW).

The South Australian section of the border fence is erected on or near the western border of NSW and extends from the north-west border of NSW (Cameron Corner) in a southerly direction for approximately 257 kilometres along the NSW/SA border. The Queensland section of the border fence is erected approximately 15 kilometres north of the border of NSW and extends from the western border of NSW (Cameron Corner) for 349 kilometres east to a point 15 kilometres from Hungerford.

The wild dog border fence protects landholders in the Western Division, and indeed all of NSW from incursion and predation by wild dogs from the centre of Australia. Without government intervention, there would be no collective action by landholders to fund control measures to prevent wild dog attacks on livestock, domestic animals and, potentially, humans.

This RIS assesses three options:

- Option 1: allow the 2009 Regulation to lapse (base case)
- Option 2: remake the 2009 Regulation without amendment
- Option 3: remake the 2009 Regulation with amendment.

Under the base case (Option 1), the BFM Regulation 2009 would lapse on 1 September 2018. This would mean the Border Fence Maintenance Board (the BFM Board) would not have the ability to fund the maintenance of the fence and would result in the fence falling into disrepair over time, which could allow wild dogs to enter NSW in large numbers. This option is considered unviable, as the entire objective of the fence could be irredeemably compromised.

Remaking the BFM Regulation under the BFM Act with an amendment (Option 3) to increase the maximum rate that can be levied on landholders generates net benefits for the community and farming businesses. This option would provide the BFM Board with a buffer to allow sufficient financial resources to maintain the fence over the coming years, taking into account increasing costs of operation and the impacts of adverse weather events that have the potential to damage the fence.

Remaking the BFM Regulation without amendment (Option 2) is the preferred option. This option maintains the rate that can be levied on landholders at 5.5 cents per hectare, the same rate as in the current BFM Regulation, and provides high net benefits to the community, farming businesses and the state of NSW. This rate is levied on all landholders in the Western Division with landholdings of greater than 1,000 hectares to provide funds to maintain the border fence.

Option 2 is preferred over Option 1, which is considered unviable.

Option 2 is preferred over Option 3, as the BFM Board has not yet reached the maximum rate that can be levied on landholders, so remaking the BFM Regulation at the same rate retains flexibility for the board to increase the rate levied on landholders in the next few years if required.

Option 2 is also preferred due to the current drought conditions impacting landholders in many areas of the state, including the Western Division.

## 2. About this regulatory impact statement (RIS)

### 2.1 Why the BFM Regulation 2009 is being remade

Under the *Subordinate Legislation Act 1989* (the SL Act), most Regulations must be reviewed and remade every five years. The BFM Regulation 2009 is due for staged repeal on 1 September 2018. Remaking this Regulation requires the preparation of a regulatory impact statement (RIS) and a period of public consultation. A Regulation that is due for staged repeal may be:

- allowed to lapse
- maintained and the staged repeal process postponed
- remade without amendments
- remade with amendments.

The staged repeal of the BFM Regulation has been postponed a few times to allow for other larger legislative reforms to be finalised.

### 2.2 Why this RIS has been prepared

Section 5 of the SL Act provides that before a Regulation is made, an RIS should be prepared in connection with the substantive matters to be dealt with by the Regulation.

### 2.3 What this RIS will consider

Schedule 2 of the SL Act states that an RIS must contain:

- a statement of the objectives sought to be achieved and the reasons for them
- identification of the alternative options by which those objectives can be achieved (whether wholly or substantially)
- an assessment of the costs and benefits of the proposed statutory rule, including the costs and benefits relating to resource allocation, administration and compliance
- an assessment of the costs and benefits of each alternative option to the making of the statutory rule (including the option of not proceeding with any action), including the costs and benefits relating to resource allocation, administration and compliance
- an assessment as to which of the alternative options involves the greatest net benefit or the least net cost to the community
- a statement of the consultation program to be undertaken.

Schedule 2 of the SL Act also notes that the economic and social costs and benefits, both direct and indirect, are to be taken into account and given due consideration. These costs and benefits should be quantified wherever possible. When this is not possible, the anticipated impacts of the proposed action and of each alternative should be stated and presented in a way that permits a comparison of the costs and benefits.

### 2.4 Public consultation on the proposed BFM Regulation and RIS

The proposed BFM Regulation and RIS will be publicly exhibited for a period of 28 days until 17 July 2018.

The proposed BFM Regulation and RIS are accessible at the NSW Department of Primary Industries, NSW Department of Industry—Lands & Water, and Have Your Say websites.

If you would like to have your say on the proposed changes to the BFM Regulation and/or the RIS, submissions can be emailed to:

[borderfence.submission@dpi.nsw.gov.au](mailto:borderfence.submission@dpi.nsw.gov.au)

Alternatively, submissions can be posted to:

**Border Fence Maintenance Regulation Submission**  
NSW Department of Industry  
GPO Box 5477  
Sydney NSW 2001

The closing date for submissions is 17 July 2018 at 11.59 pm.

## 2.5 What the government will do with your submission

The NSW Department of Industry—Lands and Water (the NSW Department of Industry), in consultation with the NSW Department of Primary Industries, will review all submissions that are received by the closing date and consider the issues raised.

The Minister for Primary Industries and the Minister for Lands and Forestry are required to consider submissions and actions arising from the submissions. The NSW Department of Industry will also provide a copy of all submissions to the Legislation Review Committee of the NSW Parliament with the final version of the Regulation. The committee will also be provided with a report on the outcomes of consultation detailing the issues raised in submissions and how these have been addressed.

The proposed BFM Regulation may be amended following consideration of any issues or comments made in the submissions.

## 2.6 Confidential submissions

The NSW Department of Industry generally places submissions, or summaries of submissions received, on its website. Please advise us if you do not want your submission published or if you want part of it to be kept confidential (for example, your name). The department will respect your request, unless required by law to disclose this information, for example under the provisions of the *NSW Government Information (Public Access) Act 2009*.

## 2.7 Other parties who will be consulted on the proposed BFM Regulation and RIS

DoI is seeking input from the community, stakeholder groups and government agencies, including:

- Western Lands Advisory Council, a representative stakeholder group
- NSW Farmers' Association (Western Division Council)
- Pastoralists' Association of West Darling
- Western Local Land Services
- NSW Aboriginal Land Council (Far Western Zone)
- Western Landcare.

## 2.8 How the proposed BFM Regulation and RIS has been advertised

A notice of the proposed BFM Regulation and RIS has been published in the NSW Government Gazette and will be advertised in the following newspapers:

- *The Sydney Morning Herald*
- *The Daily Telegraph*
- *The Land*
- *The Barrier Daily Truth*—Broken Hill
- *The Western Herald*—Bourke
- *The Sunraysia Daily*—Mildura

A notice has also been placed on the following websites:

- The NSW Department of Industry—Crown land website
- Have Your Say website
- The NSW Department of Primary Industries website.

## 3. The case for government intervention

### 3.1 About the border fence

Wild dogs are considered a pest animal in Australia. Wild dogs can cause significant financial damage to grazing operations by killing and mauling sheep, lambs, cattle, calves, goats and goat kids. Wild dogs often kill as a sport, rather than solely to survive, therefore significantly increasing the damage to grazing enterprises in the western areas of NSW. Wild dogs may also kill and maul poultry and other domestic animals, as well as kill or injure farm dogs.

The impacts of wild dogs threaten the livelihoods of farmers and the economic viability of farming enterprises through loss of stock and also through an adverse effect on the farmer's genetic stock. In addition, wild dogs have a social impact on farming families and rural communities.

The wild dog fence in total is about 5,400 kilometres long, starting from the Great Australian Bite, just west of Penong in South Australia, passes through Cameron Corner, and finishes at Jandowae on Queensland's Darling Downs. NSW is responsible for maintaining the portions of the total fence that border the state.

The South Australian section of the border fence is erected on or near the western border of NSW and extends from or near the northern border of NSW at its junction with the western border for approximately 257 kilometres south. The Queensland section of the border fence extends from or near the western border of NSW at its junction with the northern border for approximately 349 kilometres easterly to a point approximately 15 kilometres east of Hungerford.

The aim of the fence is to keep dingoes and wild dogs out of the sheep and cattle grazing country on the southern side of the fence. The fence also allows targeted destruction of wild dogs in the grazing country without reinfestation.

The fence must be strong enough to withstand significant wild dog pressure as these wild dogs try to get under or through the fence. Wild dogs are known to chew the fence wire to attempt to gain entry to the grazing land on the southern side of the fence, so frequent fence-checking and repairs are necessary. In addition, extreme weather events sometimes place higher pressure on the fence.

The BFM Board is responsible for levying rates on landholders in the Western Division to enable the dog-proof fence to be maintained, repaired or replaced. The board is made up of six members who reside in the Western Division and undertake grazing operations. The board consists of the Western Lands Commissioner, who is also Chair of the board; three people nominated by Western Local Land Services; one person nominated by the Pastoralists' Association of West Darling; and one person nominated by the New South Wales Farmers' Association Western Division Council.

The board imposes and collects a rate per hectare per annum from all landholders in the Western Division with landholdings of greater than 1,000 hectares to provide funds to maintain the border fence. The board sets the annual rate (up to the maximum rate), taking into account the annual budgeted cost of maintaining the fence, less any contribution from the NSW Government.

### 3.2 Identification of the problem

Wild dogs inhabit many parts of Australia and cause significant damage to livestock industries via predation and injury, costing millions of dollars per year. Effective control of the impacts of wild dogs requires a coordinated effort by all stakeholders.

Government intervention in maintaining an effective border fence and facilitating coordination and collaboration effort of the wild dog impacted landholders has been viewed as the most cost-effective strategy. In the absence of this effort, it is more likely that there will be underinvestment in wild dog control, meaning landholders would suffer much larger losses of livestock, potentially making livestock enterprises unviable, with flow-on impacts on the rural economy and communities in the Western Division.

### 3.3 Objective of government intervention

The NSW Government's objective is to make provision for the control of wild dogs in the Western Division by maintaining the border fence and coordinating effective control. Without this approach, individual landholders who wanted to protect their grazing enterprise would need to completely fence off their property boundaries with wild dog-proof fencing. As most grazier landholdings in the Western Division are extremely large, the cost of wild dog fencing for the perimeter would be prohibitively expensive. The total cost of fencing individual properties would be significantly higher than the cost of protecting the whole area of western NSW through maintaining the border fence.

The objective of the government is to minimise the cost to individual landholders and contribute funding in recognition of the public benefit of the border fence for the rest of NSW.

## 4. Legislative framework

This section outlines the role of the BFM Regulation within the existing legislative framework. Information on the proposed Regulation is provided in section 5.

### 4.1 *Border Fence Maintenance Act 1921*

The *Border Fence Maintenance Act*, which commenced in 1921 and was originally called the *Wild Dog Destruction Act*, was established for the purposes of preventing the incursion of wild dogs from northern and western Australia into the Western Division and NSW more broadly.

The BFM Act provides the legislative basis for the maintenance of the wild dog fence in western NSW to protect the grazing industry from predation by wild dogs from northern and western Australia.

To prevent the incursion of wild dogs from northern and western Australia into the Western Division and NSW more broadly, the BFM Board erects, maintains and repairs a dog-proof fence along specified sections of the NSW borders with Queensland and South Australia, thereby excluding wild dogs from grazing lands of the Western Division.

The BFM Act in Section 12 provides a levy floor of \$0.01/ha, and allows the board discretion to levy any rate between this minimum and the maximum rate stated in the Regulation. The rate is levied on all land within the Western Division where the property size is greater than the board-determined minimum rateable area, currently set at 1,000 hectares.

### 4.2 BFM Regulation 2009

The BFM Regulation assists with implementation of the BFM Act. The BFM Regulation makes provision for:

- the annual rates payable under the BFM Act
- the interest payable on overdue rates
- the form in which rate notices are to be issued
- savings and formal matters.

The 2009 Regulation prescribes the maximum annual rate that may be imposed and collected under the BFM Act on land within the Western Division. Currently the maximum rate is set at 5.5 cents per hectare.



## 5. The proposed BFM Regulation 2018

The proposed BFM Regulation has been drafted by the Parliamentary Counsel's Office and informed by feedback received by the NSW Department of Primary Industries and the NSW Department of Industry from the BFM Board.

The board has the responsibility of maintaining an efficient barrier against wild dogs in the form of the Queensland border fence and the South Australian border fence.

The proposed BFM Regulation 2018 remakes the current Regulation to maintain the maximum rate that may be imposed and collected on land within the Western Division of NSW. So, in 2018 and each subsequent year, the annual rate that may be imposed and collected on land within the Western Division will be maintained at 5.5 cents per hectare.

## 6. Economic method

The economic assessment for this RIS is a cost-benefit analysis. This analysis:

1. identifies the impacts for each option relative to the base case
2. assesses the benefits and costs for each option relative to the base case.

In accordance with the *Subordinate Legislation Act* and the *NSW Guide to Better Regulation—October 2016*, this assessment:

- considers a range of viable options
- identifies and assesses the impacts of government action for each option relative to a base case
- considers the benefits and costs of each option relative to the base case
- identifies a preferred option that provides the greatest benefit to stakeholders and the community.

### 6.1 Identification of options

Three options have been considered in this RIS as a means of achieving the objectives of the BFM Act and Regulation. These options are:

- Option 1: Allow the 2009 Regulation to lapse
- Option 2: Remake the 2009 Regulation without amendment
- Option 3: Remake the 2009 Regulation with amendment.

### 6.2 Identification of impacts

An assessment of the positive and negative impacts for each option has been undertaken in section 7. The direct and indirect impacts of each option have also been considered. Direct impacts are those immediate impacts on stakeholders, whereas indirect impacts are those that affect a third party.

### 6.3 Machinery clauses

The proposed BFM Regulation will also remake two provisions that are of a machinery nature. Machinery clauses are those that could be described as relating to process rather than substantive policy matters.

Machinery clauses in the proposed Regulation are:

- Clause 1—Name of Regulation
- Clause 2—Commencement.

Matters of a machinery nature do not require a RIS. This RIS does not consider these provisions in detail; however, comment on these provisions may be included in submissions and will be considered.

## 7. Assessment of impacts

### 7.1 Option 1 (Base case): Allow the 2009 Regulation to lapse

The base case (Option 1) is to allow the 2009 Regulation to lapse, which would occur on 1 September 2018. This would mean no further government control on the rates that landholders are levied to maintain the fence. With no Regulation in place to prescribe a different maximum rate that can be levied on landholders, the rate would revert to the minimum rate of one cent per hectare specified in Section 12(1A) of the BFM Act.

The BFM Act provides that the BFM Board shall in each year impose and collect a rate from each owner and occupier of land in the Western Division except land within a municipality, town or village or land where the total area of the land is less than 1,000 hectares (the minimum rateable area).

The wild dog fence is only as effective as its weakest part. Therefore, under a base case scenario with the 2009 BFM Regulation lapsing, the board would only be able to levy the rate prescribed in the BFM Act, which is \$0.01 per hectare per annum. This would be insufficient funds for the board to maintain the effectiveness of the fence, and as such the fence would quickly deteriorate. With wild dogs able to more freely enter NSW, the entire objective of the fence could be irredeemably compromised. The costs and benefits to businesses and society associated with a lapse of the 2009 Regulation are provided in Table 1.

This analysis assumes that there will be no increase in direct government spending if the Regulation lapses. Therefore, livestock producers will bear the full cost of the fence falling into disrepair. The associated costs of wild dog control and predation of livestock will be incurred by livestock producers.

**Table 1. Costs and benefits to businesses and the public from a lapse of the 2009 Border Fence Maintenance Regulation**

	Business	Public
<b>Costs</b>	<ul style="list-style-type: none"> <li>Increased wild dog control costs</li> <li>Increased predation of livestock by wild dogs</li> <li>Impacts of change in land management</li> <li>Impact of potential change in farming enterprise</li> <li>Increased attacks on other native species</li> <li>Increased community concern regarding wild dogs attacking members of the community and domestic animals</li> <li>Higher public scrutiny of wild dog management by private landholders</li> </ul>	<ul style="list-style-type: none"> <li>Board expenses will be covered by the taxpayers</li> <li>Board will be unable to perform its duties under the Act</li> <li>Higher administration and monitoring cost for natural resource management agencies</li> <li>Increased community concern regarding wild dogs attacking members of the community and domestic animals</li> <li>Change/loss of grazing enterprises may flow on to impact the economic viability of small rural communities</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Landholders take personal responsibility for managing wild dogs</li> <li>Manage wild dogs on individual properties consistent with the extent of the problem</li> <li>Lower rates imposed on landholders</li> </ul>	<ul style="list-style-type: none"> <li>Costs of making the Regulation are saved</li> </ul>

### 7.2 Option 2: Remake the 2009 Regulation without amendment

Option 2 is to remake the 2009 BFM Regulation without amendment. This would mean that the BFM Board maintains the ability to impose a rate on landholders of up to 5.5 cents per hectare per annum.

Under this option, the effectiveness of the fence has the potential to decrease over time if the total rates become insufficient to maintain the fence due to rising labour and fence material costs. The board currently

aims to completely replace approximately 20 kilometres of fence each year, with maintenance and repair on the remaining 586 kilometres of fence.

Under the SL Act, the Regulation is required to be remade or lapse every five years. Option 2 will maintain the current maximum rate of 5.5 cents per hectare per annum until 1 September 2023, when the BFM Regulation would be due for its next staged repeal, or until such time as the BFM Regulation is amended.

The BFM Board determines the rate to be collected from landholders on an annual basis, up to the maximum rate specified in the BFM Regulation. The rate for each year is determined based on the expected operating costs for the coming year, taking into account recent weather events and any large repair work required on the fence, as well as the usual repair and maintenance required.

In 2017, the board levied landholders 4.9 cents per hectare, and in 2018 rate levied on landholders was 5.1 cents per hectare. Therefore, as the maximum rate has not yet been reached, there is still flexibility for the board to further increase the rate levied on landholders in future years if the costs of maintaining the fence increase.

The costs and benefits to businesses and society of remaking the 2009 BFM Regulation without amendment are given in the Table 2.

**Table 2. Costs and benefits to businesses and the public of remaking the 2009 Regulation without amendment**

	Business	Public
<b>Costs</b>	<ul style="list-style-type: none"> <li>• Payment of imposed rate maintained at 5.5 cents per hectare</li> <li>• Wild dog control costs maintained</li> <li>• Low level of predation of livestock by wild dogs maintained</li> </ul>	<ul style="list-style-type: none"> <li>• Contribution to the control costs</li> <li>• Administrative costs</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• Improved knowledge on the impact and management of wild dogs</li> <li>• No increase in concern over potential wild dog attack on humans and domestic animals</li> </ul>	<ul style="list-style-type: none"> <li>• Landholders contribute to the cost of managing wild dogs in Western Division</li> <li>• No increase in concern over potential wild dog attack on humans and domestic animals</li> </ul>

## 7.3 Option 3: Remake the 2009 Regulation with amendment

Option 3 is to remake the 2009 BFM Regulation with amendment. This option would increase the current maximum annual rate from 5.5 cents to 6.0 cents per hectare per annum. There are currently 1,438 lease holdings in the Western Division on which rates are levied.

This would mean that the BFM Board has increased flexibility to impose a rate on landholders that is sufficient to cover the costs of maintaining the effectiveness of the border fence. This rate rise would provide a buffer to allow for increased fence maintenance costs in the event of adverse weather events and potential damage to the fence.

A rate increase to 6 cents per hectare was used when calculating the benefits and costs of Option 3. Under this option, given the board's current expenditure, it is not anticipated the maximum rate would be levied on landholders in the short term unless adverse seasonal conditions required extensive repairs to the fence. Therefore, this rate increase is a contingency option to allow for increased future maintenance costs during unfavourable weather events such as extensive flooding or sand storms that bury the fence.

Remaking the BFM Regulation with an increase in the rate would increase the board's ability to effectively maintain the fence to protect livestock and rural communities in the Western Division. It would allow greater flexibility to cover any increasing cost of maintaining the fence effectively and efficiently in future years. The costs and benefits to businesses and society of remaking the 2009 BFM Regulation with an amendment to increase the maximum rate are given in the Table 3.

**Table 3. Costs and benefits to businesses and the public of remaking the 2009 Regulation with proposed rate increase to 6 cents per hectare**

	Business	Public
<b>Costs</b>	<ul style="list-style-type: none"> <li>Payment of imposed rate up to 6 cents per hectare</li> </ul>	<ul style="list-style-type: none"> <li>Contribution to the control costs</li> <li>Administrative costs</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Reduced private landholder wild dog control costs</li> <li>Decrease in predation of livestock by wild dogs</li> <li>Reduced concern over potential wild dog attack on humans and domestic animals</li> </ul>	<ul style="list-style-type: none"> <li>More efficient fence management</li> <li>Increase in employment</li> <li>Landholders contribute to the cost of managing wild dogs in Western Division</li> <li>Reduced concern over potential wild dog attack on humans and domestic animals</li> </ul>

## 8. Cost-benefit analysis

Table 4 shows the cost-benefit analyses of the three different options considered in this RIS.

- Option 1: allow the BFM Regulation to lapse on 1 September 2018
- Option 2: remake the BFM Regulation without amendment, retaining the maximum rate at 5.5 cents per hectare per annum
- Option 3: remake the BFM Regulation with the proposed amendment, increasing the maximum rate to 6.0 cents per hectare per annum.

**Table 4. Cost-benefit analysis results (\$000)**

Description	Option 1: Lapse	Option 2: Remake Regulation without amendment	Option 3: Remake Regulation with proposed rate increase
Present value of benefits	13,047	20,050	30,179
Present value of costs	30,179	16,915	17,580
Net present value	-17,132	3,135	12,599

Allowing the 2009 BFM Regulation to lapse (Option 1) is not considered a feasible option. Due to the operation of section 12(1A) of the BFM Act, if the BFM Regulation lapsed, the maximum amount the BFM Board may impose on landowners would be insufficient to maintain the effectiveness of the fence, thus compromising the objective of the BFM Act and BFM Regulation. This is shown in Table 4 by the negative net present value of -\$17.1 million and a benefit-cost ratio of 0.43, which indicates that the costs outweigh the benefits.

Option 2 where the BFM Regulation is remake without amendment has a positive net present value of \$3.1 million and a benefit-cost ratio of 1.2. This indicates that the benefits to landholders and society are greater than the costs involved. In other words, this provides sufficient funds to the board to cover the costs of maintaining and administering the border fence at this stage. In the future, with inflation of labour and fencing material costs, there is a possibility that the board could experience a shortage of funds to maintain the fence, thus resulting in a slight deterioration of the fence over time. However, this scenario is only likely to occur where there is no change to the BFM Regulation until the BFM Regulation is next reviewed in 2023.

Option 3 where the BFM Regulation is remake with an increase in the maximum rate provides the highest return, with a net present value of \$12.6 million and a benefit-cost ratio of 1.7. This option is expected to effectively cover the costs of maintaining and administering the fence until the BFM Regulation is next reviewed in 2023.

## 9. Conclusion

The preferred option is Option 2, to remake the 2009 BFM Regulation with no change, maintaining the current maximum annual rate at 5.5 cents per hectare. This option will maintain the BFM Board's current capacity to levy a reasonable rate on landholders to effectively maintain the fence, while balancing the current struggle of livestock industries facing drought conditions.

From an economic perspective, Option 3 provides the highest return on investment for maintaining the effectiveness of the wild dog border fence, and thus would be considered to be the most preferred option under normal seasonal conditions and commodity prices. However, the Western Division is currently experiencing drought conditions, which tend to reduce stock numbers on each property and place an associated downward pressure on livestock prices, productivity and profitability of livestock enterprises. Therefore, the net present value associated with Option 3 is unlikely to be achieved with the current dry conditions across the Western Division.

There are currently 1,438 land holdings in the Western Division on which rates are levied covering an estimated 29.5 million hectares. The board levied landholders 4.9 cents per hectare in 2017 and 5.1 cents per hectare in 2018, both less than the maximum rate of 5.5 cents per hectare set under the current BFM Regulation. Therefore, the board still has flexibility to increase the rate levied on landholders up to the maximum rate, in the event of increases in fence maintenance costs. The current maximum rate will allow the board to continue inspecting and maintaining the fence, and should provide sufficient funds to allow for complete replacement of small sections of the fence that are either worn out through age or damaged through events such as floods, dust storms or animal pressure.

While the rate levied on landholders is an expense for their farming business, the cost of undertaking wild dog control and stock losses would be significantly larger for each individual farmer than the levy paid to the board to maintain the fence. Therefore, this current rate is considered acceptable to the community that will have to pay the rate.

The proposed BFM Regulation, once made, will be subject to periodic review under the requirements of the *Subordinate Legislation Act 1989*.

## References

*NSW Guide to Better Regulation—October 2016*, Department of Finance, Services & Innovation.<sup>1</sup>

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<sup>1</sup> [https://www.finance.nsw.gov.au/sites/default/files/guide\\_better\\_regulation\\_october\\_2016.pdf](https://www.finance.nsw.gov.au/sites/default/files/guide_better_regulation_october_2016.pdf)