

30 May 2018

The Hon. Niall Blair MLC  
Ministerial Office  
GPO Box 5431  
Sydney NSW 2001



## The Rice Marketing Board

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FOR THE STATE  
OF NEW SOUTH  
WALES

Dear Minister,

### **Review of Governance Arrangements of The Rice Marketing Board for the State of New South Wales**

The Rice Marketing Board for the State of New South Wales (the Board) was pleased to note that the recent Independent Review of Governance Arrangements found that the Board, through its processes and practices, had not displayed any practices that suggest a breach of conflict of interest principles or the possession of commercially sensitive information about competitors by dual Board/SunRice directors.

The Board appreciates the opportunity to improve its governance arrangements through implementing the recommendations of the report. An independent probity advisor has been appointed and has attended the past two meetings of the Board. Risk management processes are being improved, including preparation of a risk management framework and more regular risk reviews. Three Board members are currently applying for prequalification on the Government's 'Prequalification Scheme, Audit and Risk Committee Independent Chairs and members' to ensure that the Board has an independent Audit and Risk Committee going forward.

At its May meeting, the Board noted that the recommendation that the Regulations be amended to restrict the maximum term served by a Board Member to a cumulative total of twelve years, will apply to both elected and nominated members of the Board. The Board considers this to be the fairer outcome, and will mitigate any debate among NSW rice growers that their elected members may be perceived to be disadvantaged compared to nominated members.

The Board also noted the final report, to be published in full on the Department's website, includes discussion on draft recommendations that were excluded from the final report. Some of the comments relating to the excluded recommendations contain information that may not be factually correct. For example, the Board refutes a statement that it has an "uneasy relationship with the Northern NSW rice farmers on availability of rice milling facilities, independent access to foreign markets and lack of strategy for development of the Northern NSW rice industry" (draft review opportunity 10, page 29). The Board considers that this statement is a misrepresentation of the Board's view, although it accepts the need to do more to engage this group of stakeholders and is actively working on better communication with this group of growers.

I would like to acknowledge the excellent assistance provided by Departmental officers Michael Rollin and Darren Budworth, in liaising with the Board through the draft report process and providing advice on implementation of the recommendations. It was unfortunate that the finalisation and issuing of the report was delayed by a few months, which will result in revised deadlines for implementation of some of the recommendations.

The Board looks forward to improving its transparency and communication with NSW stakeholders and appreciates the work that the consultants and the Department undertook, for the long term benefit of NSW rice growers.

Yours sincerely,

A handwritten signature in black ink that reads "Victoria Taylor". The signature is written in a cursive, flowing style.

Victoria Taylor  
Chair, Rice Marketing Board for the State of New South Wales

cc. Mr Brett Fifield  
Deputy Director General,  
NSW Department of Primary Industries, Strategy & Policy