

Submission to the

NSW Productivity Commission

Kickstarting the Productivity Conversation

Discussion Paper



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Summary

The firearms industry makes a substantial economic contribution in NSW generating over \$800m in Gross State Product (GSP) in 2018 and an estimated 6,516 jobs (2,727 direct; 3,789 flow-on). A significant proportion annual expenditure and employment is in regional areas.

Supporting the firearms ownership and use is a large network of licences firearm dealers and associated businesses.

Firearm ownership, use, distribution and sales are highly regulated to ensure public safety.

The administration of firearms regulation by the NSW Police Force, through the NSW Firearms Registry however is dysfunctional and marked by non-adherence to government policy and long standing non-compliance with directives issued by NSW Treasury and Department of Premier and Cabinet.

A recent audit of the NSW Firearms Registry by the NSW Audit Office found:

- internal processes do not ensure all data is accurate when added to the register
- internal processes do not ensure sound and consistent decisions
- the Registry is aware that data in the register is not accurate and up-to-date
- the Registry does not effectively administer important parts of the Act and Regulation
- the Registry does limited monitoring of its performance.¹

In short, the NSW Firearms Registry is a basket case. In addition to poor management, lack of efficient processes and procedures and woeful governance, customer service is a major problem marked by extensive delays in responding to customer needs.

The NSW Firearms Registry is simply incapable of delivering on NSW government's programs, including: [Easy to Do Business](#), [Tell Us Once](#) and [Better Customer Service](#).

Without major change to the way in which the firearm industry is regulated by government substantial economic activity and jobs creation opportunities will continue to be impeded in NSW.

Recommendations for change are included.

¹ Audit Office of New South Wales. [Firearms Regulation – Performance Audit 28 February 2019](#).

Introduction

The Federation of Hunting Clubs Inc. (Federation) welcomes the opportunity to comment on the Productivity Discussion Paper.

Our submission focuses on the Regulation ‘productivity lever’ referred to in the Discussion paper. Our comments however may impact and have relevance to other productivity levers.

First and foremost, the Federation wishes to remind the Commission that firearm ownership and participation in the shooting sports and hunting are lawful and legitimate pursuits permitted under NSW legislation. Licenced firearm owners and users are *not* criminals as they are often portrayed in the media and by government.

The shooting sports are highly popular and participation is increasing. Table 1 shows the number of firearm licence holders in NSW by type of licence.

Table 1: Number of firearms licences holders in NSW as of the 1st of February 2019

Type	No. Licence Holders
Individual	236588
Business	314
Clubs	283
Collectors (only)	178
Dealers Individual	0
Dealer Business	350
Theatrical Armourer	22
Club Armourers	344
Total	238,079

Source: NSW Police Force, Disclosure Log 2019, GIPA 422.

Economic Value of Recreational Hunting and Shooting

Recreational hunting and sport shooting generate substantial economic activity and employment in NSW. An independent report commissioned by the Commonwealth Department of Health estimated Gross State Product (GSP) for NSW at \$847m² (Table 2).

² [Economic and social impacts of recreational hunting and shooting. Final report, September 2019.](#)

Table 2: Estimated gross contribution of national recreational hunting and sports shooting activity to GDP (\$m) of Australia and GSP (\$m) of each state and territory (2018).

REGION	DIRECT	FLOW-ON (INTRASTATE)	FLOW-ON (INTERSTATE)	FLOW-ON (SUB-TOTAL)	TOTAL
NSW	243	406	197	603	847
VIC	207	304	127	430	638
QLD	115	153	109	262	377
SA	62	86	28	115	177
WA	54	58	66	124	179
TAS	39	45	12	57	97
NT	22	32	8	40	62
ACT	11	12	14	25	37
Australia	757	1,095	561	1,656	2,413

The gross contribution to FTE employment from recreational hunting and sport shooting in NSW was estimated at 6,516 jobs (2,727 direct; 3,789 flow-on).

Firearm Politics

Regrettably, in recent years lawful firearm ownership and use in NSW has been highly politicised. To understand the current regulatory environment surrounding firearms ownership and use it is necessary to briefly touch on recent events in state politics.

In 2016 the state member for the seat of *Orange*, Andrew Gee (NAT) resigned to contest the seat of *Calare* in the 2016 Federal election. Gee won *Calare* creating the need for a by-election for the seat of *Orange*. Growing dissatisfaction with the Liberal-National Party, especially in regional NSW, saw the National Party lose *Orange* to the Shooters, Fishers and Farmers Party. This was a bitter blow for the Nationals having held the seat since 1947.

Then, in the March 2019 NSW general election the National Party lost the seats of *Barwon* and *Murray* to the Shooters, Fishers and Farmers Party. Voter anger with the NSW government was palpable, especially in the bush and the writing was on the wall as early as February 2018 for a voter backlash, especially in National's seats.³

In March 2019 the Minister for Police publicly confirmed his contempt for licenced firearm owners:

“Have I missed something here ‘cause I’m really struggling with the whole ‘shooters have rights too’ thing.”⁴ (Attachment A)

David Elliott

Minister for Police and Emergency Services

³ [In the Daily Telegraph on 21 February 2018](#), Anna Caldwell wrote: “...the state government faces trouble in the bush. So we’d be foolish not to pay attention to every move made by the Shooters party over the next 12 months.” And “Do not be mistaken — these are places where the 2019 state election could be won or lost. Indeed, if the Shooters, Fishers and Farmers Party are to truly get it together in the next 12 months, it would be cause for not just Barilaro but the whole government to sound the panic claxon.”

⁴ [David Elliott MP](#) Facebook post 17 March 2019.

There can be no doubt the Minister's publicly expressed contempt for firearm owners has influenced the impartial functioning and decisions of the NSW Firearms Registry.

Bureaucratic Delays and Red Tape

In what is widely recognised in the NSW hunting and shooting fraternity as deliberate political reprisal against the Shooters Fishers and Farmers Party, the treatment of licenced firearm owners, shooting clubs, and licenced firearm dealers by the NSW Police Force Firearms Registry is marked by:

- ongoing deterioration in customer service
- increasing delays in licence and permit renewals,
- increasing delays in renewal of firearms dealers' licences
- increasing delays in issuing firearm registration certificates.

The Registry's delays continue to have a profound negative impact on the 350 licenced firearm dealers in NSW.

The deterioration of service delivery and blow-out in licence and permit processing times by the Firearms Registry have been acknowledged by both the NSW Police Minister and the NSW Commissioner of Police in 2018 and 2019 NSW Budget Estimates. For example:

“... within the Firearms Registry, but we are almost doing it by fax. We are almost doing it by carrier pigeon at the moment; that is, the technology for people to apply for permits and forms. We are trying to make the application process more automated to make it more user-friendly.”

Michael Fuller
Commissioner of Police
30 August 2018

In response to a question taken on notice from the 2019 Budget Estimates Committee Chair about processing times for Permits to Acquire (PTAs) the following answer was provided by the Minister for Police⁵:

“From 1 July 2017 - 30 June 2018, the average processing time for a Permit to Acquire was 7.6 days. From 1 July 2018 - 30 June 2019, the average processing time for a Permit to Acquire was 12.25 days.” (emphasis added)

Contrary to statements by the Minister and Commissioner during the Budget Estimates hearing on 29 August 2019 that customer service by the Firearms Registry was “improving”, it has in fact declined as shown by the *increase* in PTA processing times from 7.6 days (2018) to 12.25 days (2019).

The Federation executive regularly receives feedback from licenced firearm dealers who are extremely angry and frustrated by the lengthy delays at the NSW Firearms Registry and the

⁵ [Budget Estimates 2019. Portfolio Committee No. 5 – Legal Affairs. Responses to Questions on Notice, p55](#)

negative impact these delays are having on their business. Following are a few examples which have been provided with permission.

Case 1 - Firearms Dealer "AA"

AA is a licenced firearms dealer in a medium sized town in regional NSW. Many of AA's customers are elderly, do not own a computer with which to apply for PTA's through the Firearms Registry's on-line portal, introduced on 22 October 2018.

AA contacted the Firearms Registry in December 2018 requesting a supply of paper-based PTA forms. In a series of email exchanges, the Dealer's Unit at the Firearms Registry stated:

[REDACTED]

AA now loses valuable time from serving customers in his store to assist customers make on-line applications through his computer.

Case 2 - Firearms Dealer "BB"

BB is a licenced firearms dealer located in close proximity to a major regional city in NSW. On 30 April 2019 BB applied to the NSW Firearms Registry for an employee work authority.

Not receiving any response, BB contacted the Registry in early September 2019 to check on progress. In late September the Firearms Registry sent BB an email apologising for the delay in responding to his request and... asking him to complete another Employee Authority form.

This example shows that the Firearms Registry is simply not capable of complying with the NSW Government's [Tell Us Once](#) program. The delay and need to make a *second* application for the work authority has cost BB's business time and money.

Case 3 - Vertebrate Pest Controller "CC"

CC is a professional vertebrate pest controller who relies on having valid and current licences to conduct his business. Due to the drought, work is scarce and he must tender for new business opportunities on offer by local government and private businesses. Without current and valid licences, vertebrate pest controllers are at a commercial disadvantage.

As well, local councils and private businesses offering tenders of pest control services stipulate applicants *must* have current and valid licences.

CC applied earlier this year to renew his firearms licence. After waiting for 5 months CC was eventually contacted by the Firearms Registry requesting additional information. The Firearm Registry's on-line licence renewal system provided no capacity for CC to upload additional documentation to support his 'genuine need' for his existing category C and D firearms.

The delay in renewing CC's licence resulted in lost opportunity to submit tenders for his services.

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

A view on Firearms regulation by the Attorney-General's Department

The Commonwealth Attorney-General's Department has stated putting additional restrictions on the legal ownership of firearms would not necessarily reduce firearm-related crime⁶:

"The Department believes the current approach to firearms policy strikes an appropriate balance between the interests of those with a genuine need to have access to firearms, such as sporting shooters and primary producers, and the interests of the broader community to live safely and securely.

Specifically, the Department does not believe that the tests set out in the National Firearms Agreement for the possession or use of firearms need to be amended. Further, putting additional restrictions on the legal ownership of firearms would not necessarily reduce firearm-related crime."

The poorly administered firearms regulation in NSW has multiple negative consequences.⁷ First it fails to produce the anticipated benefits on crime reduction; second it stifles the legitimate lawful use of firearms and the supporting businesses.

⁶ [Attorney-General's Department. Inquiry into the ability of Australian law enforcement authorities to eliminate gun-related violence in the community. Submission No. 42.](#)

⁷ [Australian Bureau of Statistics. A guide for using statistics for evidence based policy, 2010](#)

Recommendations

The Federation of Hunting Clubs recommends:

1. That the NSW Productivity Commission independently review the NSW Police Force Firearms Registry:
 - a. for compliance with the NSW *Guide to Better Regulation*, and governance directives issues by NSW Treasury and Department of Premier and Cabinet,
 - b. policies, procedures and work practices which have led to reduced level of customer service for licensed firearm owners, licenced firearm dealers and licenced vertebrate pest controllers in this state.
2. That the NSW Productivity Commissioner collaborate with the NSW Customer Service Commissioner and the NSW Auditor-General to rectify the systemic problems with the administration of firearms regulation by the NSW Firearms Registry to ensure *effective* and *impartial* administration.

Background on the Federation of Hunting Clubs Inc.

The Federation of Hunting Clubs Inc. (the Federation) is an umbrella organisation of over 50 hunting and shooting clubs representing members from all areas of New South Wales (NSW).

Our members are representative of a broad cross section of society and wide range of professional, trade, legal, business, teaching, academic, medical, police, industry and scientific qualifications and backgrounds.

Federation members hold appointments on a number of government advisory boards and committees, and have represented their country at National, Commonwealth and International level competition events.

The Federation's membership also includes licensed firearms dealers – the hundreds of small businesses that support legal firearm ownership and use under the provisions of the *NSW Firearms Act 1996* and the *Weapons Prohibition Act 1998*.

Attachment A: 'Anti-shooters' comment by Minister for Police

 **David Elliott MP** March 17 · 🌐 ⋮

Am I the only one who finds this slightly hypocritical? So Michael Daley and Labor promises not to weaken gun laws but does a preference deal with a party that advocates the liberalising of gun laws. Have I missed something here 'cause I'm really struggling with the whole "shooters have rights too" thing.

<https://mobile.abc.net.au/.../michael-daley-threate.../10909658...>



ABC.NET.AU i

Daley says 'I'll resign' if guns laws change but deal with Shooters Party remains