



Australian Government
**Department of Agriculture
and Water Resources**

Senator Barry O'Sullivan
Chair
Rural and Regional Affairs and Transport Legislation Committee
Parliament House
Canberra ACT 2600

Dear Chair

At the February 2016 Additional Estimates hearing, Senator Joe Bullock requested the department provide a detailed breakdown of expenditure relating to meetings of the Agricultural Industry Advisory Council (AIAC) prior to each Rural and Regional Affairs and Transport Legislation Committee hearing.

A summary of costs for AIAC meetings held between January 2014 and September 2017 were previously provided to the committee. The last report was provided on 18 October 2017. Since then the AIAC has not met.

A summary of implemented Agricultural Competitiveness White Paper measures was provided to the committee prior to the Supplementary Estimates in October 2017. Since then, the National Water Infrastructure Development Fund measure is now the responsibility of the Minister for the Department of Infrastructure, Regional Development and Cities. The current status of individual measures is provided at Attachment A.

I trust this information is of assistance in supporting the committee's preparations for its next hearing.

Yours sincerely

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Parliamentary, Communications and Portfolio Business Branch
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20 February 2018

Agricultural Competitiveness White Paper - Status Update February 2018				Attachment A
Measure No.	Measure	Status	Update	
Building the Infrastructure of the 21st century				
1	National Water Infrastructure Development Fund	Ongoing	As at February 2018, eight studies have been completed, with 18 studies to be completed by June 2018. After election commitments and \$45.6 million for the NAIS, \$146.9 million in capital funding is available, including \$40 million for water infrastructure in northern Australia. (This measure is the portfolio responsibility of the Deputy Prime Minister, under the Department of Infrastructure, Regional Development and Cities.)	
11	Freight modelling for agriculture—expand CSIRO's TranSIT	Implemented	A final report was submitted to the Department of Agriculture and Water Resources in June 2017, and was released late 2017.	
A fairer go for farm businesses				
2a	PC inquiry into regulations affecting agriculture	Implemented	The Commission published its draft report on 21 July 2016, which was handed to the Australian Government in November 2016.	
2b	PC inquiry into regulations affecting fisheries	Implemented	The PC inquiry into Marine Fisheries and Aquaculture commenced in December 2015. The Commission provided the final report to the Australian Government on 19 December 2016.	
3	Reforms to country of origin labelling	Implemented	The CoOL information campaign for consumers concluded in June 2017. From 1 July 2018, the arrangements will become mandatory.	
4	Streamlining the regulation of Agvet chemicals	Ongoing	A legislative package was introduced to Parliament in 2017. A second package will follow this year.	
5	Cooperatives and innovative business model knowledge	Implemented	On 14 April 2016, the Deputy Prime Minister announced in Lismore that Southern Cross University will deliver the Farm Co-operatives and Collaboration Pilot Program. Farming Together has already engaged with more than 700 farmer groups across Australia.	
6	ACCC engagement in agricultural sector	Implemented	Through the establishment of an Agriculture Unit and the appointment of Commissioner Mick Keogh, the ACCC has substantially increased its engagement with the sector. The ACCC released its interim report on 30 November 2017. The final report will be submitted to the Treasurer by 30 April 2018.	
7	Changes to income tax averaging for farmers—allowing opt-in	Implemented	Enacting this measure required amendments to the Income Tax Assessment Act 1997. The Bill making these amendments was given Royal Assent on 28 February 2017.	
8	Farm Management Deposits (FMD) —Increasing the deposit limit to \$800 000	Implemented	From 1 July 2016, eligible farmers can hold up to \$800 000 in FMDs, doubling the amount they could hold prior to the change. There was a record \$6.1 billion in FMDs at 30 June 2017.	
9	Farm Management Deposits (FMD) —Allowing loan offset	Implemented	From 1 July 2016, banks have been able to offer FMD accounts that allow farmers to use them to offset the costs of their farm business borrowings.	
10	Simplified accelerated depreciation—fencing	Implemented	The government, as part of the 2015–16 Budget, announced improved accelerated depreciation arrangements for fencing, fodder storage infrastructure and water facilities.	
Strengthening our approach to drought and risk management				
12	Better Seasonal Forecasting	Implemented	The four year project is progressing with the fully updated service to be operational by June 2019.	
13	Tax arrangements for water facilities and fodder storage	Implemented	The government, as part of the 2015–16 Budget, announced farmers were able to depreciate new fodder storage assets over three years.	
14	Managing Farm Risk Programme	Implemented	On 29 March 2016, the Deputy Prime Minister announced the commencement of the Managing Farm Risk programme and applications opened. The programme terminates in 2018-19.	
15a	Transitional drought and drought recovery concessional loans	Implemented	The Drought Concessional Loans Scheme was available in all states and the Northern Territory (except the Australian Capital Territory) in 2015–16. The Drought Recovery Concessional Loans Scheme was open for applications in New South Wales, Queensland, Tasmania and South Australia in 2015–16.	
15b	Drought Concessional Loans Scheme—Ongoing arrangements	Ongoing	The Farm Business Concessional Loans Scheme 2016-17 commenced on 1 November 2016. The 2017–18 Scheme commenced on 1 July 2017 and included a new loan type – Business Improvement Concessional Loans.	

16	Farm Management Deposits—early access provisions in drought	Implemented	The enhancements to the FMD commenced on 1 July 2016.
17	Increased case management—Farm Household Allowance	Implemented	The measure came into effect on 1 July 2016. The additional \$1,000 activity supplement will be used for activities that will demonstrably improve a recipient's self-reliance and assist them to transition off their Farm Household Allowance entitlement.
18	Advice and assistance from the Australian Taxation Office to taxpayers in drought	Implemented	A hotline for drought-affected taxpayers was implemented in January 2016.
19	Additional resources to Rural Financial Counselling Service	Implemented	The measure delivered \$1.8 million in additional funding to the Rural Financial Counselling Service to provide extra resources to deal with increased client demand due to drought.
20	Enhanced social and community support	Implemented	On 30 June 2016, the Enhanced Social and Community Support measure closed as scheduled. This measure has successfully enabled agencies to identify and assist farmers and farm families in need of support. The government continues to provide a range of services to support drought-affected farmers and farming families.
21	Drought Communities Programme	Implemented	The Drought Communities Programme is providing support in 23 local government areas through shire councils located in Queensland, New South Wales and Victoria.
22	Pest animal and weed management in drought-affected areas	Implemented	In 2015–16, \$15 million in government funding was provided to Queensland, NSW, Victoria, South Australia and Western Australia for state-based programs to reduce the impact of pest animals and weeds in drought affected areas. A further \$4 million was committed in 2016–17 for Queensland, New South Wales, Victoria, South Australia and Western Australia to continue programs.
Farming Smarter			
23	Clearer research, development and extension (RD&E) priorities	Implemented	The 15 rural Research and Development Corporations have adopted the new rural RD&E priorities, which target on-farm technologies and practices that deliver farm gate returns.
24	Extend Rural Research and development (R&D) for Profit programme	Implemented	Funding of almost \$114.7 million (GST exclusive) has been provided for 36 projects under rounds one and two of the Rural Research and Development for Profit programme.
25	Improve efficiency of Research and Development Corporations—governance	Implemented	The government works with Research and Development Corporations to improve governance so that farmers and the community receive maximum value for their investment in research, development and extension.
26a	Funding to the Rural Industries Research and Development Corporation (RIRDC) for research, development and extension for small industries	Implemented	The government will provide an extra \$1.2 million to RIRDC over three years (2016-17 to 2018-19) for RD&E for plant and animal small industries.
26b	Levies—tea tree oil	Implemented	The levies commenced on 1 July 2017. The Government has committed \$140,000 annually for matched funding from 2017-18.
26c	Levies—export fodder	Implemented	The levy was implemented in May 2016.
27	Boost emergency pest and disease eradication	Implemented	The department will use \$10.5 million to provide emergency pest and disease response funding over four years (2015-16 to 2018-19).
28	Manage established pest animals and weeds	Ongoing	23 projects announced under the competitive grants process on 2 May 2017. New project proposals under the Project Agreement are being put forward for 2017–18 and 2018–19. Results from ABARES survey on pest animals and weeds published in May 2017.
Accessing Premium Markets			
29	Technical barriers to trade (new agricultural counsellors)	Implemented	The agricultural counsellor network has contributed to significant improvements in market access and trade arrangements resulting in 121 market access wins since January 2016.
30a	Strengthening Australia's Biosecurity—Surveillance	Ongoing	Expenditure was approved for an additional 13 grants for animal onshore surveillance activities in December 2017.
30b	Strengthening Australia's Biosecurity—Community-based action	Ongoing	29 additional ranger groups agreed to undertake biosecurity activities on a regular basis.
30c	Strengthening Australia's Biosecurity—Scientific capability	Ongoing	Improved communications about import risk analyses have been developed for 15 risk analyses to date in 2017-18.
30d	Strengthening Australia's Biosecurity—Information and analysis	Ongoing	New analytic products in the Biosecurity Analytics Centre include a live animal export dashboard and the amendment to Compliance Based Inspection Scheme dashboard which enables avocados as part of the scheme.
31	Enhanced traceability systems	Ongoing	User Acceptance Testing for the online exporter registration process and the issuance of certification for Other Goods and Honey will begin on 3rd October 2017.