

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2008

Agriculture, Fisheries and Forestry

Question: RPI 01

Division/Agency: Rural Policy and Innovation

Topic: GM Canola

Hansard Page: 46 (18/02/2008)

Senator Nash asked:

Senator NASH—I have a couple of quick ones on canola, probably to the minister actually. I am genuinely interested in the federal government's position on GM canola. Could you outline that to the committee?

Senator Sherry—If you want that position, I can take it on notice and Mr Burke can come back to you with a response.

Senator NASH—If you could.

Answer:

The Rudd Government's position on the regulation of GM crops is stated in Labor's Plan for Primary Industries.

In summary, GM crops should not be approved for commercial release unless they are safe to health and the environment. The regulation of the development and use of genetically modified organisms (GMOs) in Australia is achieved through a cooperative legislative framework which includes the Gene Technology Regulator (the Regulator), Food Standards Australia New Zealand (FSANZ) and a number of other regulatory authorities with complementary responsibilities and expertise.

With regard to GM canola, in 2003, the Gene Technology Regulator issued licences authorising the unrestricted commercial release of two types of GM canola (InVigor and Roundup Ready) after concluding that these canolas were as safe to humans and the environment as conventional (non-GM) canola. FSANZ had also approved foods derived from these types of canola as safe for human consumption. All state and territory governments, excepting Queensland and the Northern Territory, then implemented moratoriums to delay the commercial production of GM canola until marketing and trade considerations had been addressed to their satisfaction. Decisions on the future of these moratoriums are matters for the individual state and territory governments. The Minister for Agriculture, Fisheries and Forestry, the Hon Tony Burke MP has stated that he considers GM crops have an important place in the future of Australian agriculture, including in dealing with the issues arising from climate change.

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Agriculture, Fisheries and Forestry

Question: RPI 02

Division/Agency: Rural Policy and Innovation

Topic: GM Canola

Hansard Page: 49 (18/02/2008)

Senator Nash asked:

Senator NASH—If industry is saying, ‘We think we can do it’—Dr O’Connell, you might be able to help here if Mr Perrett and Mr Reading cannot, and this may be something you have to take on notice—and if the overarching information is the same why is it that the different state governments have different approaches to this issue? Given that they are all state Labor governments, one would think they may have all agreed. But it would be interesting to have some feedback and information on why the different states have taken the different positions.

Mr Perrett—I think that is something the individual states would have to answer. We do not have the answers to that.

Senator NASH—Do we have any way of accessing that through the department?

Dr O’Connell—I would be happy enough to see if we can find the relevant statements from the different states as to their position and pass that on to you. I think that would be fairly straightforward to do.

Answer:

The current difference in positions across jurisdictions results from a combination of timing and the different conclusions jurisdictions have reached, on the basis of the available information, about marketing considerations. The state moratoriums are about marketing, not about health and safety. The legislation through which the state and territory governments implemented their moratoriums on GM crops expire, or become due for review, at different dates. Ahead of those dates, the individual jurisdictions are reviewing the need to maintain these moratoriums. Victoria, New South Wales and South Australia have completed their reviews. In all three cases the review concluded it was not necessary to maintain the moratorium. The South Australian Government decided to maintain its moratorium and monitor the experience of other states.

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Question: RPI 03

Division/Agency: Rural Policy and Innovation

Topic: GM Canola

Hansard Page: 50 (18/02/2008)

Senator Heffernan asked:

Senator HEFFERNAN—We are a colourful bunch, we bushies. I am sure there will be blokes growing GM that you do not know about. What is the set-up if there is a grain shortage on one side of the country or the other? If there is a moratorium on GM over there are we allowed to take GM canola there if they run short?

Mr Perrett—I could not give you a solid answer on that.

CHAIR—Do you want to take that on notice, Mr Perrett?

Mr Perrett—Thank you.

Answer:

Moratoriums are implemented through state and territory legislation which differs from one jurisdiction to another. Whether GM canola can be transported into a state with a moratorium, and under what conditions, would depend on the wording of the legislation under which the moratorium is maintained.

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Question: RPI 04

Division/Agency: Rural Policy and Innovation

Topic: R & D Funding

Hansard Page: 55 (18/02/08)

Senator McGauran asked:

Senator McGAURAN—Minister, Mr Reading explained to Senator Adams the formula used in regard to raising funds for a research levy and a government contribution with a ceiling. Can the minister commit that that formula will stay in place for research and development corporations in the rural sector for the year 2008-09?

Senator Sherry—I will take that on notice.

Senator McGAURAN—Is that a no?

CHAIR—It is taken on notice, Senator McGauran, and the minister cannot tell you any more than that. He will take it on notice and bring it back to the committee. On that, Mr Perrett, on behalf of the committee, I wish you well for this afternoon. I hope it all goes well and I hope that we have been of some assistance to you.

Answer:

Yes. The Government supports the current legislated funding formula, whereby the government matches R&D expenditure up to a ceiling of 0.5 per cent of the gross value of production of the relevant industry for that financial year for research and development corporations and companies (RDCs) that are funded by industry levies.

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Question: RPI 05

Division/Agency: Rural Policy and Innovation

Topic: FarmBis Program

Hansard Page: 124 (18/02/2008)

Senator McGauran asked:

Senator McGAURAN—Within those figures, what are the number of women that have taken up the program?

Mr Dalton—I cannot tell the gender balance from these figures.

Senator McGAURAN—On notice?

Mr Dalton—We could take it on notice.

Senator McGAURAN—And in particular, in my state of Victoria, can you tell me how many people from July 2007 to now have been on FarmBis and how many women?

Mr Dalton—I will have to take that on notice. The program changed in 2007-08 to be run nationally, but we can get some data for that.

Answer:

In the period 1 July 2007 to 31 December 2007 (the latest figures available), 2,992 people, including 936 women, undertook business management and natural resource management training with the assistance of the AAA FarmBis program that operates in Queensland, South Australia, Western Australia, Tasmania and the Northern Territory.

In same period, 688 people, including 292 women, undertook business management and natural resource management training with the assistance of the national FarmBis program that operated in New South Wales, Victoria and the Australian Capital Territory. Of these, 253 Victorians, including 60 women, undertook business management and natural resource management training with the assistance of the national FarmBis program.

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Question: RPI 06

Division/Agency: Rural Policy and Innovation

Topic: FarmBis Program

Hansard Page: 124 (18/02/2008)

Senator McGauran asked:

Mr Dalton—FarmBis provides assistance for primary producers and rural land managers to undertake approved training activities to build business and natural resource management skills.

Senator McGAURAN—Perhaps the minister at the table can tell me, how does that not fit into the government's education revolution?

Senator Sherry—I am not briefed on the education revolution, so I cannot say one way or the other, but I am happy to take it on notice.

Answer:

There will be opportunities to help training for on-farm climate change adaptation strategies in the 'Australia's Farming Future' initiative. Further information on this initiative is expected to be provided in the context of the Australian Government's 2008-09 Budget.

Questions on the education revolution are a matter for the Department of Education, Employment and Workplace Relations.

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Question: RPI 07

Division/Agency: RPI

Topic: VFF Grains

Hansard Page: 125 (19/02/2008)

Senator O'Brien asked:

Senator O'BRIEN—And the government is not satisfied that any other progress has been made.

Dr O'Connell—I would have to take on notice precisely what the status is, but my understanding is the milestones have not been met. My understanding is that the further milestones have not been met, but I would take that on notice to clarify it.

Senator O'BRIEN—Thank you for that.

Answer:

Yes, the department is not satisfied that any other milestones have been met.

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Question: RPI 08

Division/Agency: Rural Policy and Innovation

Topic: FarmBis program

Hansard Page: 127 (18/02/2008)

Senator Siewert asked:

Senator SIEWERT—Before the current drought, how many people were accessing FarmHelp? As I understand it, what you are saying is the people are going through exceptional circumstances. They are not accessing FarmHelp because they are going through exceptional circumstances. What was the uptake of FarmHelp before the current drought?

Mr Thompson—Mr Dalton may have the detailed numbers. Before the current drought, the numbers were higher than 54, but they were not great. The numbers tended to be in the hundreds, not the thousands.

Senator SIEWERT—Did you do any survey work of why there was not a big uptake with that program, because if I am reading what you are saying correctly, you are saying there are not many people accessing this program. I would then think that maybe it is not meeting their needs.

Senator McGAURAN—But it is not necessarily a bad thing if they are not accessing the program.

Senator Sherry—What has been indicated by the officers is that the forward estimates of the budget could then be adjusted because the take-up of those programs was lower than otherwise projected. It is a responsible position to come to a conclusion, after a reasonable period of time, that the original calculations and projections did need adjusting, and that has happened.

Mr Dalton—By way of illustration, at 30 June in the periods 2005-06, 2007-08, the numbers are 563 income support recipients; in June 2006, 421; 30 June, 223; and, as has been noted before by Mr Thompson, 31 January this year, 54. So you can see a rundown of people on income support under FarmHelp during the period of the drought. If you wish to go back beyond 2005, we can provide some information about that.

Answer:

Information on recipients of Farm Help assistance and Exceptional Circumstances Relief Payments from 2000-01 are in the table below.

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Farm Help and ECRP Recipients

	2000- 01	2001- 02	2002- 03	2003- 04	2004- 05	2005- 06	2006- 07	2007- 08
Farm Help Income support (1)	919	994	709	502	563	421	223	43*
Farm Help Re- establishment Grants (2)	120	158	160	101	47	53	26	12*
Farm Help Advice and Training (3)	1312	1006	1281	615	734	352	437	72*
Exceptional Circumstances Relief Payment (4)	1123	1373	5378	13310	12673	12590	24045	26898 **

* As at 29 February 2008

** As at 31 December 2007

- (1) The number of Farm Help customers on income support as at 30 June
- (2) The number of Farm Help Re-establishment Grants paid each financial year
- (3) The number of Farm Help advice or training sessions undertaken by customers each financial year
- (4) The number of customers receiving ECRP each financial year

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Agriculture, Fisheries and Forestry

Question: RPI 09

Division/Agency: Rural Policy and Innovation

Topic: Drought assistance

Hansard Page: 99-100 (18/02/2008)

Senator Nash asked:

Senator NASH—I appreciate you might have to take this on notice, but would you mind having a look at those programs and coming back to the committee with the times elapsed between reviews of estimated forecasts for those programs which are also demand driven.

Dr Samson—What you will probably find, depending when the program started, is that the time that elapsed between the original announcement and a revision may vary. What would be consistent throughout all of it, I think, is that the revision would occur at the appropriate point in a budget cycle. So the revision that has just occurred in this program really reflects that we are moving into that part of a budget cycle.

Senator NASH—So that normally happens in January? Did you do the revision for this in January?

Mr Thompson—In January, yes. It would normally happen at any opportunity where a budget estimate is revised, so it would be for additional estimates in the budget process and a period midway through the year.

We can come back on notice, but for many of the drought ones it is roughly every three months.

Answer:

During normal operating circumstances estimates of demand driven programs are revised as part of the budget cycle. The Department of Agriculture Fisheries and Forestry is standard practice for estimate revisions of all programs to take place three times annually. The review phases include September, for Additional Estimates; January, for the Pre-Expenditure Review Committee (ERC) update; and April, for pre-Budget estimates updates.

If demand driven programs are announced between budgets no funding is provided until either additional estimates or supplementary additional estimates.

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Question: RPI 10

Division/Agency: Rural Policy and Innovation

Topic: FarmBis Program

Hansard Page: 105 (19/02/2008)

Senator Adams asked:

Senator ADAMS—I was a little late coming, so I apologise for that. Having spent quite a lot of time up in the Morawa and the mid-west area of Western Australia, which has had three, four and five years of drought, I have some comments here from Chairman Warren Carslake of the Dry Season Focus Group. Their biggest problem was that, when they really had a very poor season or no crop last year, by the time they got together and tried to work out whether or not they could make the grade—a lot of them having problems because of the escalation of fertiliser and chemicals and not being able to obtain any seed grain—they were making decisions or trying to make decisions that perhaps they should try and take up the drought assistance grant and move away. But, because they were in the middle of harvest and trying to scratch out whatever they could, the deadline of 31 January was a huge problem. Why was that deadline set so early? That was the deadline for the drought assistance package, and they just did not have the time. By the time they sorted out their business plan as to whether they could or could not stay—what they could do—they felt it was absolutely unfair to force this upon them. 31 January is a very difficult time because, for any of them that wanted to have a break if they had the opportunity, that was it and the cut-off was 31 January. So why was that decision made?

Mr Thompson—Ms Cupit might have some more information on that. That area was given full exceptional circumstances assistance last year. It is an ongoing program and they can apply for income support from Centrelink on a regular basis. They can apply for an interest rate subsidy on two occasions per year. All I can think is that what they are talking about is that 31 January could well be the date for the first application set by the Western Australian department running the interest rate subsidy program over there for applying for the first interest rate subsidy. We would have to take that on notice and check the detail.

Dr Samson—If you could give us the—

Senator ADAMS—I could read the quote, yes. It is from the *Farm Weekly* of 14 February 2008.

CHAIR—Do you wish to table that?

Senator ADAMS—Yes, I will table it. It reports a comment from Mr Warren Carslake: DRY Season Focus Chairman Warren Carslake said he was surprised the Government had made the decision to cut funding to drought assistance before farmers had even had the chance to apply.

“Last year they opened up qualifications for more farmers to come on board,” Mr Carslake said. “So all these applications would have barely even arrived yet with the deadline of 31 January.

“Yet the minister is saying the demand for the funding has dropped now the drought has broken.”

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I can assure you that, being a farmer, no way was the drought breaking with the little amount of rain that this area has had. The drought has not broken, and these people are in dire straits. While I am speaking about this, a lot of them rely upon the FarmBis program to try to make decisions as to whether they are going to stay or go. With fertiliser going up the way it has, chemicals going up and no seed grain available, they are having a terrible time. They are very disappointed with what has happened.

Dr O'Connell—We would like to take that on notice, because that appears to be a misapprehension, as far as I am aware, of the state of play. If that is right, we are more than happy to get in touch with the person and explain the circumstances, but it is not the case that that is closed.

Answer:

Mr Carslake is reported in the article (attached) as saying “applications have a deadline of 31 January 2008”.

The Department of Agriculture Fisheries & Forestry does not have or administer any drought assistance programs or grants that end on or have an application closing date of 31 January 2008. The Western Australian Department of Agriculture and Food has advised that it does not have or administer any drought assistance programs or grants that end or have an application closing date of 31 January 2008.

In Western Australia there are currently three EC declared areas, two of which are due to expire on the 30 September 2008 (North-Eastern Wheatbelt and the Southern Rangelands) and the Northern Wheatbelt and northern areas of the Eastern Wheatbelt which is due to expire on 31 March 2009.

[RPI 10 attachment]

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Question: RPI 11

Division/Agency: Rural Policy and Innovation Division

Topic: Rural Research and Development Priorities

Hansard Page: 110-111 (19/02/2008)

Senator Nash said:

Senator NASH—One of the priorities under rural research and development is, ‘Improving competitiveness through a whole of industry approach.’ Can you just explain to the committee what that means and what is entailed in that? Would you like to take it on notice?

Dr Robinson—Can I refer that to a departmental—

Senator HEFFERNAN—That is bureaucratic jargon. Can anyone decipher it?

Senator NASH—I am sure it is a very good thing, but I just wondered exactly what it was. Would you mind taking it on notice and just coming back to the committee about what exactly that ‘improving competitiveness through a whole of industry approach’ might be. Thank you.

Dr Robinson—I will take it on notice, if I am the appropriate one.

Senator NASH—I am sure it is far too important for you to take a stab at. We would like a full and detailed briefing to the committee.

Answer:

Improving competitiveness through a whole of industry approach was one of the rural research and development (R&D) priorities established by the previous government in 2003 to guide investment in rural R&D. The wording of that priority reflected that rural industry participants are part of a supply chain from production through to consumption, and to lift their profitability and competitiveness they must consider the role that innovation can play at each step in the value chain for their products. This begins with natural resource management and ends with consumer acceptance of the final product.

The rural R&D priorities were updated in May 2007, following consultation with state and territory governments, industry, research funders and providers and are available at <http://www.daff.gov.au/agriculture-food/innovation/priorities>.