

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 01

Division/Agency: Agricultural Productivity Division

Topic: Agricultural Finance Forum

Proof Hansard page: 32

Senator COLBECK asked:

Senator COLBECK: I have one final question and I do not know whether it applies here, but it is related. Has there been a meeting of the Agricultural Finance Forum in recent times?

Ms Freeman: There is one scheduled for June. Let me just take that on notice as it might be even sooner. I just do not know it off the top of my head, but there was certainly one where the minister met with them.

Senator Ludwig: We have got one scheduled shortly. I do not have a date in my head either. We wanted to have them regularly, so we had one last year and we will have another one shortly. We also had an opportunity of sitting down with the Treasurer at a financial forum that he had convened as well, so I participated in that. In particular, there were representatives from right across Queensland. There was dairy, there was Growcom. There was a range of financial institutions also available there. It is one of those areas that I continue to keep on my radar.

Senator COLBECK: I did see some reporting on that.

Ms Freeman: Mr colleague Mr Koval from the ag productivity division will be able to answer that question when the next finance forum is scheduled.

Senator COLBECK: Let us put him on notice. If you could give us a schedule of what has happened over the last couple of years.

Ms Freeman: Certainly.

Answer:

The last Agricultural Finance Forum was held 26 June 2012. The next meeting is scheduled for 14 March 2013.

The following table sets out the meeting dates of the forum from 2008 to 2012; and the key topics discussed.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 01 (continued)

Agricultural Finance Forum meeting dates and topics discussed 2008 to 2012

Previous AFF Meetings	Key topics discussed
26 June 2012	An overview of legislative amendments made to the Farm Managements Deposits (FMD) scheme in November 2011 and a discussion on why primary producer trusts are ineligible to access FMDs. The forum also discussed the national drought program reform package being developed by federal, state and territory governments.
16 December 2011	An update on the live export trade to Indonesia; an update of the Murray Darling Basin Plan; and a discussion of carbon related initiatives including the Carbon Farming Initiative.
7 July 2011	The impacts of the suspension of the live cattle trade to Indonesia and the policy changes to be implemented prior to the resumption of trade.
23 February 2011	The impact of floods in eastern Australia and the recovery and reconstruction efforts. The forum was also provided with an update on Exceptional Circumstances declarations and an outline of the winter crop forecasts for 2011.
5 May 2010	Discussed the (then new) drought reform measures and the Western Australia pilot which were announced on 5 May 2010.
17 October 2008	Discussed the global financial crisis, its impact on farming families, rural small business and agricultural industries and measures being taken in response to the crisis.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 02

Division/Agency: Agricultural Productivity Division

Topic: IAC Appointments

Proof Hansard page: 106

Senator RUSTON asked:

Senator RUSTON: Is AgriExchange a member of Citrus Australia?

Mr Koval: I am not aware. I can take that on notice and find out.

Answer:

Yes.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 03

Division/Agency: Agricultural Productivity Division

Topic: IAC Appointments

Proof Hansard page: 106

Senator RUSTON asked:

Senator RUSTON: Okay. Could you put on record for me when the new IAC was appointed and can we also have the date of Ms Barkley's resignation? I believe you will find that they are totally in conflict to the answer that you gave me to a question on notice.

Answer:

The dates of when the new Industry Advisory Committee (IAC) was appointed and the date of Ms Barkley's resignation are consistent with the letter tabled during the Supplementary Budget Estimates hearing in October 2012 and the answer provided to Question on Notice 64 following this hearing.

Ms Pat Barkley was employed under a contract with Citrus Australia Limited (CAL) to provide technical advice for a range of purposes.

Ms Barkley held an appointment as an ex-officio technical adviser to Horticulture Australia Limited's (HAL) citrus IAC. Her services were made available to HAL through her contract with CAL.

HAL has provided advice that the successful and unsuccessful candidates for voting membership of the reformed citrus IAC were all notified by letter dated 23 August 2012. Ex-officio members to the IAC, including Ms Barkley, were expected to continue in their roles.

HAL has also advised that Ms Barkley resigned from CAL on 11 September 2012 and therefore, from that date, she also ceased her role as an ex-officio technical adviser to the citrus IAC.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 04

Division/Agency: Agricultural Productivity Division

Topic: Agricultural Water Use

Proof Hansard page: 109-110

Senator JOYCE asked:

Senator JOYCE: ...How much water is used by agriculture in Australia? Do you have any figure for how much water agriculture uses and the proportion of the water it uses? I have a rough idea it is around 52 per cent.

Mr Morris: I am sure that number is around, but I do not have it with me here. We will have to take that on notice.

Answer:

According to the ABS Water Account 2010–11, the agriculture industry consumed 7175 GL of water in 2010–11, representing 54 per cent of Australia's water consumption.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 05

Division/Agency: Agricultural Productivity Division

Topic: Allocation of Water

Proof Hansard page: 110

Senator JOYCE asked:

Senator JOYCE: Do you know how much is allocated to the northern systems?

Mr Morris: Again, we would have that information, but I am not sure I have it at hand here. It will take me a few minutes to find it if it is in one of our publications. Again, we can take that on notice if you want.

Answer:

The *Northern Australia Land and Water Science Review*, compiled by the Northern Australia Land and Water Taskforce and released in October 2009, stated that in 2005–06 Australia's irrigated agriculture sector used 10 779 GL of water of which 223 GL, or around 2 per cent, was used in northern Australia.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 06

Division/Agency: Agricultural Productivity Division

Topic: Plant Gene Patents

Proof Hansard page: 112

Senator HEFFERNAN asked:

Senator HEFFERNAN: Does the department, in forward planning for productivity, understand that one of the great restrictions on future productivity for agriculture will be the patenting of plant genes?

Mr Tucker: Yes.

Senator HEFFERNAN: So what are you doing to support the cause of doing something about the broad interpretation of patent law which includes the discoverable material as opposed to the inventive work? I have not heard a squeak out of you. Could you tell me where you are up to with presenting the case which is in the courts in the US and Australia now, on absolutely doing away with one of the great restrictions which will absolutely cause a serious monopoly on seed supply across the world if we continue to allow companies like Monsanto and Syngenta and others to patent what is discoverable material? If you do not know anything about it just say so and we will deal with it somewhere else.

Mr Koval: Plant genetic resources, I know, are a topic of much interest but I am not aware of us being engaged in debate—

Senator HEFFERNAN: You have not got your head across it? It does not matter.

Mr Koval: I think IP Australia might be the people but we can take it on notice.

Answer:

The Department of Agriculture Fisheries and Forestry (DAFF) recognises the importance of the intellectual property rights system, including patents relating to plant genetic materials and technologies, to support innovation and productivity growth. The department participates in discussions as appropriate.

Patents legislation is not within the DAFFs portfolio responsibilities. IP Australia, a prescribed agency under the Department of Industry, Innovation, Science, Research and Tertiary Education, has responsibility for the Patents Act and any questions on patents should be redirected to that agency.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 07

Division/Agency: Agricultural Productivity Division

Topic: Availability of farmable land and soil types

Proof Hansard page: 113

Senator HEFFERNAN asked:

Senator HEFFERNAN: Can I tell you that, like the funded report on who owns what in Australia, it is completely flawed. I must do this. The Ord has the capacity to get rid of the lead mine and use the rising soils, which they have not used yet, for about 80,000 hectares. There is a similar amount of soil and soil types around the conjunction of the Fitzroy River and the Margaret River. If you are prepared to do what Carnarvon and places like that have done and use fertigation on the lighter soils—some of my farmland was considered not farmable. You put lime on it and you bring it up to standard. You get the pH back up. It is just a matter of treating the soil. CSIRO was flawed in this, so can you go away and take on notice to find out what soils were considered by CSIRO to be suitable soils and report back to this committee?

Mr Morris: We can certainly ask CSIRO the question and provide any information they can provide to the committee.

Answer:

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) has advised that its Northern Australia Land and Water Science Review 2009 used the Food and Agriculture Organization Framework for Land Evaluation to establish the soils in northern Australia that may be suitable for agriculture. This international standard method characterises soils and their suitability for a range of purposes using a sequential screening process.

Using this method, the Review established that northern Australia (defined as the region with northern draining catchments) has land area potentially suitable for the support of a range of agricultural enterprises:

- 32.4 million hectares – forestry
- 16.8 million hectares – irrigated annual crops
- 16.8 million hectares – improved pasture
- 6.0 million hectares – perennial crops
- 3.6 million hectares – rice

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 08

Division/Agency: Agricultural Productivity Division

Topic: Regional Food Producers Innovation and Productivity Program

Proof Hansard page: 114-115

Senator NASH asked:

Senator NASH: It is a little 'chicken and the egg', though, isn't it? You are saying the funding got redirected because you did not have enough applicants but you did not actually get to distributing the funding because you did not get enough applicants and the money was gone.

Mr Koval: Certainly, when you put it like that, it is 'chicken and egg' in the sense of what is the optimum number. I will have to go back and look at what we initially costed the program on in terms of what projects we initially thought—

Senator NASH: Okay, if you could do that for me—

Mr Koval: I do not have that off the top of my head.

Senator NASH: If you could do that for me, that would be great, because I am genuinely interested in getting a sense. Obviously we had a number of expressions of interest: in round 1 there were 54 applications and in round 2 50. So I just want to know how far that is off your estimated ballpark of what a good number would be. I will move to the time line and figures that you have provided for me, which are extremely useful; thank you very much. The first round was launched on 18 December. Three million dollars of the \$35 million went to the Promoting Australian Produce (Major Events) program on 5 December, which is almost two weeks before the first round was launched. Why was that? Why was money redirected before you had even launched the first round, given that you said that the redirection was as a result of the low numbers?

Mr Koval: I think that at the time the decision was made there was a lot of interest in other ways of promoting agriculture and agricultural food, and major events are one such proposal. I am not aware of the discussions at the time I was there. I am certainly willing to go back, have a look at the files and see what the conversations were around that.

Senator NASH: Okay. Could you do that for me and take it on notice insofar as you can provide it for the committee, because it seems extraordinary that before you had even started money was being siphoned out of here. We then went through the process. We had 53 applications reviewed. On 24 July 15 grants were approved. That is all fine. I think round 2 was launched on 1 April 2009. There were a significant number of expressions of interest—around 160. Forty-two applications were reviewed by the advisory panel, and obviously 31 grants were approved all up. During that period of time, though—between when the rounds were launched and the final approval of the final 16 grants—there was \$4.3 million shunted off to other things. One was uncommitted funds returned to government before we even got to the approval of any of the grants. Is it usual to have uncommitted funds when you have not even finished the process?

Mr Koval: I think it would have been the case at the time—and again I will have to go and look in a bit more detail at the process—that we would have had a rough idea of what the ask was and what potential money was there, and we would have done a reconciliation of all that.

Senator NASH: I do recognise that you might not necessarily have all this at the top of your mind, so I would appreciate it if you would take it on notice, but that \$3 million of

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 08 (continued)

uncommitted funds was before the 160 expressions of interest were even received for the second round, so the second round process really had not even started. It just seems a bit extraordinary that there are uncommitted funds when the second round had not even started.

Mr Tucker: Mr Koval said he will have to go back and look at the records, but there might be a sense of terminology here. For example, even though we talked earlier about the Caring for our Country program for the out years and that amount of money has been announced, technically that is also regarded as uncommitted money even though it is associated with the program. So we will go back and look, but the language we are using might also be confusing it slightly.

Answer:

The \$35 million allocated to the Regional Food Producers Innovation and Productivity Program (RFPIPP) was an Election 2007 commitment under Labor's Plan for Primary Industries. The commitment did not anticipate a number of projects, but noted that successful projects needed to demonstrate a high likelihood of improved productivity and profitability in Australia's regional food industry.

The Promoting Australian Produce (Major Events) program was established to assist agricultural industries stage major national events to facilitate information exchange about technology gains and innovation and, subsequently, the promotion of Australian agricultural products and services. It was a decision of government to reallocate a proportion of administered funds under the Regional Food Producers Innovation and Productivity program to support this related program.

'Uncommitted funds' refers to money available in the program that has not been committed to projects. The term does not consider potential future commitments. The response to Question 63 from Senate Estimates in October 2012 detailed movements of funds from the RFPIPP. Program funding was phased across each year of the program and funds were returned to government only if they were uncommitted in a financial year.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 09

Division/Agency: Agricultural Productivity Division

Topic: Regional Food Producers Innovation and Productivity Program

Proof Hansard page: 115

Senator NASH asked:

Senator NASH: Okay. That would be great. If you could take that on notice and provide some more detail, that would be very useful. Sixteen second round grants were approved in February-March 2010. At the last estimates we had a discussion about the finalisation of the funds being \$8.5 million. Why wasn't there another round, given that that was February-March 2010, which is nearly three years ago, and we have only just come to the end of the funding being distributed? On 13 April 2010 there was around \$800,000 to other administered activities, 30 June 2010 to the end of the financial year over \$1 million of uncommitted funds were returned to the government, in financial year 2010-11 \$4.5 million was for other programs and initiatives and another \$300,000 of uncommitted funds was returned to government and in 2011-12 \$7.9 million was for other initiatives and \$4.481 million of uncommitted funds was returned to government. Throughout that period from 13 April 2010 there was not ever another round launched. Why not?

Mr Koval: It was a decision of the government at the time not to do another round and to redirect the funds to other priorities.

Senator NASH: Why?

Mr Koval: I will have to go back and have a look. As I said, I was not around at the time, so I will have to go back and look at the files.

Senator NASH: Could you take that on notice for me? That is really quite extraordinary. I do not often say that there are worthwhile things coming out of this government but this one—

Answer:

It was a decision of government to redirect funds to other priorities. Funding rounds require time to complete the application and approval process and time for successful grantees to undertake worthwhile projects. Projects under the Regional Food Producers and Innovation Program were required to be completed by 30 April 2012 to enable acquittal and payment by 30 June 2012.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 10

Division/Agency: Agricultural Productivity Division

Topic: Regional Food Producers Innovation and Productivity Program

Proof Hansard page: 116

Senator NASH asked:

Senator NASH: I do. Thank you very much, Chair. I would like to thank the department for their extraordinarily good cooperation and their willingness to take on notice for me the questions I have put so far on notice. Perhaps the officers might also take on notice to give me an indication of why, from February-March 2010, there was not another round launched. I could be wrong, Mr Tucker, but I think you suggested that you may be able to go back and find out if there was an explanation for that. It would be very much appreciated if you could do that.

Mr Tucker: We will do that. The circumstances are that none of us here were around at that time on that program, so we will have to check the records.

Senator NASH: As I said last time, Minister, if everybody sitting on that side of the table used that with us we would be here for seven years getting not very much. Could you use your best endeavours to do that for us?

Mr Tucker: We will do our best.

Mr Metcalfe: We will take it on notice.

Answer:

See response to question on notice nine (09).

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 11

Division/Agency: Agricultural Productivity Division

Topic: CSIRO Research and Development in Agriculture

Proof Hansard page: 116

Senator GALLACHER asked:

Senator GALLACHER: Is the taxpayers' investment in CSIRO research and development in relation to agriculture measured in terms of agricultural productivity and, if so, what is that figure? I am happy if you want to take that on notice.

Mr Koval: Agricultural productivity in terms of projects they are actually investing in?

Senator GALLACHER: Research and development in agriculture: is it measured in terms of an increase in agricultural productivity?

Mr Koval: I will take that on notice and ask the CSIRO.

Answer:

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) has advised that it does not routinely measure the impact of its agricultural research on agricultural productivity, but instead monitors the impact of its research through direct engagement with clients and partners and by monitoring uptake of the new knowledge as part of its research investment decision processes. However, a formal assessment by ACIL Tasman of the economic impact of CSIRO's research and development output, assessed from analysis of case studies, was published on the CSIRO website on 17 November 2010 (see <http://www.csiro.au/Portals/About-CSIRO/How-we-work/Budget--Performance/Performance-reviews.aspx>). That study included a number of case studies that were relevant to agricultural productivity.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 12

Division/Agency: Agricultural Productivity Division

Topic: Families from Wyong 'trade mission' to China and Hong Kong

Proof Hansard page: 125

Senator EDWARDS asked:

Senator EDWARDS: Have you heard of the first families of Wine—12 family companies owned through the generations? They packed themselves up and went on a trade mission to China and Hong Kong. Did you have any involvement in that or provide any assistance, financial or otherwise, to that trade mission?

Mr Glyde: Not to our knowledge, but we can check that for you.

Answer:

The Australian Government provided significant support to the Australian First Families of Wine initiative in its establishment phase. Through the Promoting Australian Produce (Major Events) Program the government provided funding of \$429 900 to assist in staging a series of promotional events in the United Kingdom in May 2010. These were in Bristol, Manchester, Edinburgh and London.

The department understands that the Australian First Families of Wine has not yet undertaken its trade mission to China and has scheduled the trade mission for August 2013. The Wine Australia Corporation has assisted the group in the preparation of a program for the trip.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 13

Division/Agency: Agricultural Productivity Division

Topic: PIERD Act Introduction of Prawn Levies

Proof Hansard page: Written

Senator WILLIAMS asked:

Will you advise how soon the PIERD Act can be amended to give prawn producers and other seafood sectors the ability to raise levies for promotion and marketing? What process is required?

Answer:

In the *Rural Research and Development Policy Statement* (July 2012), the government announced its intention to introduce legislation to amend the *Primary Industries and Energy Research and Development Act 1989* (PIERD Act) to allow PIERD Act bodies, including the Fisheries Research and Development Corporation (FRDC), to receive a statutory levy for marketing and to undertake marketing activities, if such a levy is requested by industry.

The timing for introduction of a Bill will be considered by the government as part of its legislative program. The timing for passage of a Bill will be a matter for the Parliament.

The proposed amendments to the PIERD Act will provide for FRDC to receive a marketing levy and to undertake marketing activities if requested by industry.

The *Levy Principles and Guidelines* set out processes industry will need to follow to agree an appropriate levy rate. http://www.daff.gov.au/__data/assets/pdf_file/0003/253353/levy-principles-guidelines.pdf.

The industry organisation then makes a proposal to the government in accordance with the *Levy Principles and Guidelines*. If the proposal is agreed, the Primary Industries (Excise) Levies Regulations 1999, the Primary Industries (Customs) Charges Regulations 2000 and the Primary Industries Levies and Charges Collection Regulations 1991 will need to be amended to allow for imposition and collection of the levy and equivalent charge.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 14

Division/Agency: Agricultural Productivity Division

Topic: Country of Origin Labelling on Cooked Seafood in Outlets, Restaurants and Cafés

Proof Hansard page: Written

Senator WILLIAMS asked:

As you are aware, all imported seafood sold in the Northern Territory must be labelled with its country of origin, including cooked seafood sold for immediate consumption in restaurants and take-aways, but restaurants and take-aways in other jurisdictions are not required to display the country of origin of seafood in their cooked meals.

Answer:

Standard 1.2.11—Country of origin requirements—of the Australia New Zealand Food Standards Code (the code) is given legal force through state and territory Food Acts. The code mandates country of origin labelling on packaged and unpackaged seafood for retail sale. Certain businesses are exempt from the code's country of origin labelling requirements, including restaurants, canteens, schools, caterers or self-catering institutions, prisons, and hospitals.

In November 2008, the Northern Territory (NT) government introduced legislation to require origin labelling of seafood sold in all venues, including in the food service sector. The Fish Retailer Licence Conditions, under the *Fisheries Act 1988 (NT)*, require licensed fish retailers advertising seafood for sale to the public for consumption to label that the seafood is 'imported' if it has not been harvested in Australia. It is not a requirement of the NT legislation for the country of origin of imported seafood to be identified.

In other states and territories, if food businesses not captured by the country of origin labelling requirements of the code, such as cafes and restaurants, consider that promoting the origin of the seafood they sell will provide them with a commercial advantage, there is nothing preventing them from doing so. Food businesses may voluntarily promote the origin of seafood provided the claims made comply with the *Competition and Consumer Act 2010* (formerly the *Trade Practices Act 1974*), which prohibits misleading or deceptive conduct, and false or misleading representations concerning the place of origin of goods.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 15

Division/Agency: Agricultural Productivity Division

Topic: Country of Origin Labelling on Cooked Seafood in Outlets, Restaurants and Cafés

Proof Hansard page: Written

Senator WILLIAMS asked:

I refer to the submission to the Australian Government from May 2010 by the seafood industry peak body, the National Seafood Industry Alliance, entitled “Review of Food Labelling Law and Policy”. In which the Alliance requested that the existing country of origin labelling be extended to apply also to seafood in the restaurant and food service sector. Have you taken any action in response to this request?

Answer:

In its report, *Labelling logic: Review of food labelling law and policy (2011)*, the independent panel, chaired by the Hon. Dr Neal Blewett AC, noted that submissions to the review from seafood stakeholders suggested that country of origin labelling be extended to foods sold in restaurants. However, the panel considered that “*this would constitute an exception to the general exemption of restaurants from mandatory labelling requirements and the Panel does not accept the argument as sufficient to justify modifying the exemption*” (p108). On that basis, the review panel did not recommend the extension of mandatory country of origin labelling requirements to seafood sold in the food service sector.

In its response to the review report, the Council of Australian Governments Legislative and Governance Forum on Food Regulation—comprised of ministers responsible for food regulation from all states and territories, the Commonwealth Government and New Zealand—did not disagree with the panel’s opinion on this point.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 16

Division/Agency: Agricultural Productivity Division

Topic: Country of Origin Labelling on Cooked Seafood in Outlets, Restaurants and Cafés

Proof Hansard page: Written

Senator WILLIAMS asked:

Given the widespread industry view that labelling of country of origin on seafood sold in restaurants and take-aways would significantly boost sales of Australian seafood, will you initiate action to make such labelling mandatory throughout Australia?

Answer:

See response to question on notice 15.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 17

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

Is DAFF concerned that “strategic partnerships or alliances” between commercial entities and Peak Industry Bodies such as AUSVEG will distort priority setting through the strategic planning and IAC process?

Is DAFF concerned that such alliances might create a conflict of interest when IAC’s are mostly comprised of peak industry body representatives who recommend funding to HAL?

Answer:

The Department of Agriculture Fisheries and Forestry’s concern is that Horticulture Australia Limited (HAL) has processes in place to manage any possible or perceived conflicts-of-interest that may arise during HAL’s strategic planning or IAC processes, no matter what the source of the possible or perceived conflicts-of-interest may be. To this end, HAL has advised it is implementing new policies to strengthen the independence and governance of IACs.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 18

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

How does HAL ensure citrus projects approved for funding have been scientifically peer reviewed to ensure quality research is delivered?

Answer:

Horticulture Australia Limited (HAL) has provided advice that it has a multi-stage review process for citrus funding proposals that is set out in the published HAL research and development (R&D) policies. According to this process:

1. Initial proposals are assessed by appropriately qualified HAL R&D portfolio managers.
2. Proposals are then assessed by the technically qualified Citrus Reference Group according to a set of HAL procedures. This group comprises the horticulture R&D lead from NSW Department of Primary Industries, an experienced and technically qualified HAL portfolio manager and an experienced technically qualified expert from Citrus Australia Limited.
3. All proposals, accompanied by the written advice of the Citrus Reference Group and the HAL R&D portfolio manager, are presented to the Citrus Industry Advisory Committee (IAC) for its consideration, feedback or endorsement.
4. Following IAC endorsement, the proposals are again reviewed by the HAL R&D portfolio managers.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 19

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

Is the review done by independent scientists or technicians with expertise in citrus research?

Answer:

Horticulture Australia Limited has provided advice that, yes; all of its research and development (R&D) portfolio managers are scientifically qualified with varying levels of experience in citrus R&D. Two of the three members of the Citrus Reference Group are independent of Citrus Australia Limited.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 20

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

Where does the advice to the HAL Citrus IAC (independent of CA) come from in regard to the quality of grant applications?

How have those individuals who provide technical advice to the IAC been selected and what are their qualifications / experience in relation to citrus?

Answer:

Horticulture Australia Limited (HAL) has provided advice that its research and development (R&D) portfolio managers and the two (out of three) independent representatives on the Citrus Reference Group provide HAL with advice on the quality of citrus grant applications.

HAL has also advised that its R&D portfolio managers are selected on the basis of merit, including expertise, capability and technical ability. Members of the Citrus Reference Group are selected on the basis of qualifications, technical ability and knowledge of citrus R&D.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 21

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

What are the guidelines under which they operate?

Answer:

Horticulture Australia Limited (HAL) has provided advice that its research and development (R&D) portfolio managers and the Citrus Reference Group operate under HAL's R&D policies and industry advisory committee guidelines, which are updated annually.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 22

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

What is the role if any of the National Horticulture Research Network (NHRN) in assisting in the development and scrutiny of project proposals?

Answer:

In relation to citrus research and development (R&D), Horticulture Australia Limited has provided advice that the National Horticulture Research Network is represented on the Citrus Reference Group, which reviews and assesses citrus R&D proposals.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 23

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

Does the Deed of Agreement with HAL require that all citrus project applications submitted to HAL for funding approval are provided to the entire HAL Citrus IAC for consideration and if not what are the circumstances they would not go to the IAC?

Is DAFF aware of industry concerns about the level of reporting and transparency related to HAL grants?

Answer:

No. The 2010–14 Deed of Agreement between the Commonwealth and Horticulture Australia Limited (HAL) does not prescribe a grants management process that HAL must follow.

Yes, Department of Agriculture, Fisheries and Forestry is aware of concerns.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 24

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

Does the Deed of Agreement require for stakeholders to have access to timely details on funding of individual projects, up to date milestone and final reports via the HAL website.

Answer:

The 2010—2014 Deed of Agreement ('the Deed') between the Commonwealth of Australia and Horticulture Australia Limited (HAL) establishes expectations for a planning and reporting framework for HAL. The Deed requires HAL to develop a strategic plan covering matters such as the programs HAL intends to adopt, key deliverables, and broad estimates of expenditure across research and development and marketing programs for the life of the plan.

HAL is required to set out the intended operations and key activities that it will fund during each financial year to implement the strategic plan in its annual operational plan. HAL's annual report is required to provide reasonably comprehensive coverage of significant activities; progress with implementing its plans including research and development outcomes, and how its investments have contributed to meeting industry and levy payer's priorities. The Deed does not specify the mechanisms for providing these plans and reports to stakeholders.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 25

Division/Agency: Agricultural Productivity Division

Topic: Citrus IAC and HAL Governance

Proof Hansard page: Written

Senator RUSTON asked:

Is HAL subject to the same Freedom of Information (FOI) provisions applied to other RDC's and if not why not?

Answer:

11 Right of access

The *Freedom of Information Act 1982* (FOI Act) applies to agencies, which includes those entities that it defines at Section 4(1) to be 'prescribed authorities'. Incorporated companies, such as Horticulture Australia Limited (HAL) and the other eight industry-owned Research and Development Corporations (RDCs), are expressly excluded from the definition of a prescribed authority and hence from the provisions in the FOI Act.

The six statutory RDCs, which are Commonwealth Authorities under the *Commonwealth Authorities and Companies Act 1997*, are prescribed authorities as defined in the FOI Act and, as such, are subject to the provisions in the FOI Act.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 26

Division/Agency: Agricultural Productivity Division

Topic: Food Policy Working Group

Proof Hansard page: Written

Senator COLBECK asked:

When did the Food Policy Working Group decrease from 12 to 6 people and what was the rationale for the decrease in membership?

Are Janine Allis, Jeff Lawrence, Jock Laurie, Nick Stace and Peter Williams still members?

Answer:

In 2010, thirteen members were invited to sit on the Food Policy Working Group for terms of two years. The terms of seven members expired in July 2012 and the term of five members expired in November 2012. One member resigned during his term and the term of his replacement, also for two years, expires in November 2013. The twelve members whose terms expired in 2012 have not been replaced or extended. The government is considering the future of the group in the context of the National Food Plan.

Janine Allis, Jeff Lawrence, Jock Laurie, Nick Stace and Peter Williams are no longer members of the Food Policy Working Group.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 27

Division/Agency: Agricultural Productivity Division

Topic: Horticulture: Review of the Export Efficiency Powers

Proof Hansard page: Written

Senator COLBECK asked:

Has the ACCC approved the new Citrus to US Marketing Program?

How will the minimum price paid for citrus to the US market be determined and what has been the response of the US to this?

What has the feedback from smaller citrus producers been to the changes to the export efficiency powers?

Has the Government communicated its decision to the smaller citrus producers and the citrus industry in general?

What is the estimated transitional cost to the citrus industry?

Answer:

Horticulture Australia Limited (HAL) lodged an application with the Australian Competition and Consumer Commission (ACCC) for the Citrus to United States (US) Marketing Program on 31 January 2013. As of 26 February 2013, HAL had not received a reply from the ACCC.

The Citrus to US Marketing Program will set a minimum price imposed by HAL, on the recommendation of an industry committee, to be paid to a packer by an exporter for citrus destined for the US. HAL has not sought or received feedback from the US.

Citrus Australia Limited released a media statement on 21 December 2013 noting that the changes to Australia's horticultural export arrangements, announced by Minister Ludwig on the same day, were a good outcome for the Australian citrus industry. The Department of Agriculture, Fisheries and Forestry (DAFF) has not received any direct feedback from smaller citrus producers to the changes.

Minister Ludwig announced the changes to Australia's horticultural export arrangements in a media release on 21 December 2012. This attracted widespread media coverage including the Weekly Times, Adelaide Advertiser, Daily Telegraph, Sunraysia Daily and ABC radio outlets such as ABC Riverland, ABC Mildura-Swan Hill, ABC Riverina and the South Australian Country Hour.

A Regulation Impact Statement prepared by DAFF concluded that there are no quantifiable transitional costs expected from deregulation.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 28

Division/Agency: Agricultural Productivity Division

Topic: Australian Year of the Farmer Ltd

Proof Hansard page: Written

Senator COLBECK asked:

Is the final report by Australian Farmer of the Year Ltd available?

If so, please provide copy.

If not, please advise when it is expected to be available.

What were the key outcomes?

Were all states and territories included in the National Roadshow?

Is the Department considering be more specific regarding the number and geographic spread of the events in the funding deeds in future?

The recently announced increases in enrolments in agricultural education are positive, what plans does DAFF have to continue to support initiatives that keep increasing the profile of agriculture?

Answer:

The Department of Agriculture Fisheries and Forestry (DAFF) is reviewing the final report provided by Australian Year of the Farmer Ltd. Once this is complete, DAFF will discuss with Australian Year of the Farmer Ltd release of the report publicly.

Australian Year of the Farmer Ltd reported in its September 2012 and February 2013 reports that the rural and metropolitan events attended by the roadshow crew provided unique and positive opportunities to engage all aspects of the community including women, youth, Indigenous Australians, and people from culturally and linguistically diverse backgrounds. Crew members attended agricultural and cultural festivals as well as youth groups, schools and childcare/mother groups.

It was reported that the roadshow crews had success in breaking down “rural-urban” boundaries and engaged thousands of people in discussions about agricultural issues including education, training and careers in agriculture, research and science. The 29 roadshow crew members (18 were women; 13 were under 30 and 8 were under 25) were provided with intensive training in Occupational Health and Safety requirements, visitor engagement strategies, and communications and media training.

The National Roadshow attended events in all states and territories.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 28 (continued)

DAFF develops funding deeds according to the specific guidelines of the program under which a project is funded.

DAFF will continue to work with a range of stakeholders such as the Primary Industries Education Foundation, the Primary Industry Centre for Science Education and the Australian Council of Deans of Agriculture to increase awareness of agricultural careers and education.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 29

Division/Agency: Agricultural Productivity Division

Topic: Food Bowl

Proof Hansard page: Written

Senator COLBECK asked:

What is the status of the National Food Plan White Paper?

What consideration and strategies does the Food Plan include to assist primary producers survive in the short term when we have organisations such as Dairy Australia anticipating a 10% drop in farm gate milk prices?

Answer:

The National Food Plan is currently in development.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 30

Division/Agency: Agricultural Productivity Division

Topic: Agriculture Smart Phone Application

Proof Hansard page: Written

Senator EDWARDS asked:

1. Is the Department aware of a new smartphone application (app) that has been launched by McDonald's to highlight the agricultural supply chain? (called TrackMyMaccas)
2. Has the Department considered funding or supporting this app or a similar app as a way to promote Australian grown produce and agricultural products?
3. At a time when Australian consumers are saying they want more Australian grown produce and want to know more about the provenance of their produce, wouldn't it be a good time for the department to at least facilitate the take up of an app like this more broadly?

Answer:

1. Yes, the Department of Agriculture, Fisheries and Forestry (DAFF) is aware of McDonald's TrackMyMacca's Smartphone application (app).
2. No, DAFF has not been asked to consider funding the TrackMyMacca's, or any similar app. DAFF encourages industry-led initiatives to provide consumers with extended labelling information, including origin information, through apps and other media, such as the internet.

The report, *Labelling logic: Review of food labelling law and policy (2011)*, recommended "that the potential of new information technologies be considered by consumer organisation, industry and government to provide extended product labelling for non-mandatory information" (p127).

In its response to the review report, the Council of Australian Governments Legislative and Governance Forum on Food Regulation—comprised of ministers responsible for food regulation from all states and territories, the Commonwealth Government and New Zealand—supported the recommendation and encouraged industry to develop and promote these technologies, where appropriate, as they become available in the marketplace.

There are several industry-developed apps that use scanning technology to provide extended country of origin information, and other apps will be released in the coming months. Industry's voluntary initiatives in this area demonstrate that non-regulatory approaches are working well and industry is best placed to respond to consumer demand for extended labelling information.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 30 (continued)

3. In January 2011, the Government introduced a 'Grown in' claim, which is highly applicable to food—e.g. meat, seafood, fruit and vegetables—and can be used on packaged goods. The 'Grown in' claim provides consumers, growers, processors and retailers with a premium origin claim for foods. DAFF is a member of the Commonwealth country of origin working group, which is working to improve consumer and industry understanding of country of origin labelling. The working group has reviewed consumer guidance material, and in October 2012, Mr Rod Sims, Chairman of the Australian Competition and Consumer Commission (ACCC), launched the new consumer factsheet, *Where does your food come from?*, which explains commonly used country of origin terminology and will assist consumers to identify Australian produce. This factsheet was also incorporated into the product claims section of the ACCC Shopper app, launched in December 2012, and will assist consumers at the point of retail sale to identify food made, produced and grown in Australia.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 31

Division/Agency: Agricultural Productivity Division

Topic: Trade mission to China

Proof Hansard page: Written

Senator EDWARDS asked:

1. Is the Department aware of the trade mission to China and Hong Kong that some of Australia's oldest family-owned wine companies to promote their wineries and regions? (companies include Brown Brothers, Henschke, Yalumba, De Bortoli and Tyrrell's)
2. Is the Department providing any assistance?
3. What is the Department doing to help close the gap where the wine industry is left standing along in doing their own promotion through their own initiatives?

Answer:

1. The Department of Agriculture Fisheries and Forestry understands that the Australian First Families of Wine are undertaking a trade mission to China and has scheduled the trade mission for August 2013.
2. The Wine Australia Corporation, Wine Australia has assisted the First Families in the preparation of a program for the trade mission. The Australian Government provided significant support to the Australian First Families of Wine initiative in its establishment phase. Through the Promoting Australian Produce (Major Events) Program the government provided funding of \$429 900 to assist in staging a series of promotional events in the United Kingdom in May 2010. These were in Bristol, Manchester, Edinburgh and London.
3. On 8 May 2012 in the budget the government announced it is providing \$2.1 million to Wine Australia for new marketing activities in 2012–13 and in 2013–14. The funds to Wine Australia are assisting it to develop and jointly deliver with industry new programs that will lead to increased sales of Australian wine and increased profitability of the Australian wine industry, including growers and winemakers, with particular benefits for regional Australia.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 32

Division/Agency: Agricultural Productivity Division

Topic: Barossa Wine School in Asia

Proof Hansard page: Written

Senator EDWARDS asked:

1. Is Wine Australia aware of the new Barossa Wine School in Asia?
2. What assistance, if any has Wine Australia provided for this Wine School that will help promoted the wine region?
3. What is the Department doing to help close the gap where the wine industry is left standing along in doing their own promotion through their own initiatives?

Answer:

1. Wine Australia is aware of the Barossa Wine School in Asia.
2. Wine Australia is not providing any assistance for this wine school.
3. On 8 May 2012 in the budget the government announced it is providing \$2.1 million to Wine Australia for new marketing activities in 2012–13 and in 2013–14. The funds to Wine Australia are assisting it to develop and jointly deliver with industry new programs that will lead to increased sales of Australian wine and increased profitability of the Australian wine industry, including growers and winemakers, with particular benefits for regional Australia.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 33

Division/Agency: Agricultural Productivity Division

Topic: AWRI RCE&C

Proof Hansard page: Written

Senator EDWARDS asked:

In light of AWRI preparing a new research, development extension and commercialisation (RCE&C) Plan for July 2012 – June 2018 can the following questions please be answered.

1. When will the plan commence?
2. In what ways is the plan an improvement on the previous plan?
3. What industry if any, stakeholders have been consulted with regards to the new plan?

Answer:

The Australian Wine Research Institute (AWRI) is an industry owned company that does not receive direct funding from the Australian Government. Therefore questions about the AWRI research, development extension and commercialisation plan are best directed to the AWRI.