

**Rural and Regional Affairs and Transport Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2013

**Agriculture, Fisheries and Forestry**

**Question: 97**

**Division/Agency:** Climate Change Division

**Topic:** Methane Methodologies

**Proof Hansard page:** 23

**Senator NASH asked:**

**Mr Tucker:** Two methane methodologies have been approved: one for piggeries and one for dairies. As the minister said, it is best to go into the detail, but my understanding of the current approval of methodologies and the difference with the camel methodologies is that, obviously, with piggeries and dairies you actually know how much stock you have and you can measure very readily the output, whereas camel numbers are not well known across Australia. There certainly are estimates. The estimates move up and down, depending on the climatic conditions across Northern Australia. So I suspect some of those factors may have played into the discussions around that particular methodology.

**Senator NASH:** Why would that be an issue? One would imagine that the amount of methane coming out of a camel would be a reasonably standard rate. Whether you have got two camels or 2,000 camels, all you have got to do then is multiply their back ends to get where you are headed. I do not see how the number of camels really impacts on a methodology, because all you do is multiply the work—and I take the minister's point that that work has not been done and needs to be done—but the numbers surely do not matter that much because it is just a multiplication exercise.

**Mr Tucker:** It does depend on diet, just as feedstock does to other animals. But you are sort of getting beyond our level of competence. We are trying to assist, but it is best that details go to the particular department.

**Senator NASH:** You are assisting very well. Perhaps I could ask you to take on notice—in so far as you can assist, and certainly from the perspective of this department—given the ranging nature of the feral camels, how would you expect there to be a determination on the feed type as you have been talking about? Perhaps you could also ascertain for us the reasons for the rejection.

**Senator Ludwig:** That question may in fact be better put to the climate change department. We will see what we can provide.

**Senator NASH:** In so far as you can, if you would not mind. I will certainly put it to the other department as well. I do very much appreciate your assistance.

**Answer:**

The Domestic Offsets Integrity Committee (DOIC) did not endorse the *Management of large feral herbivores (camels) in the Australian rangelands* methodology on the basis it failed to fulfil a number of the Carbon Farming Initiative's integrity principles.

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**Question: 97** (continued)

Reasons for the DOIC's decision are published in compliance with Section 112(14A) of the *Carbon Credits (Carbon Farming Initiative) Act 2011* and are available at:  
<http://www.climatechange.gov.au/government/initiatives/carbon-farming-initiative/methodology-development/proposals-not-endorsed/management-of-feral-herbivores.aspx>

Requests for further information on the DOIC decision for this methodology should be directed to the Department of Climate Change and Energy Efficiency.

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**Question: 98**

**Division/Agency:** Climate Change Division

**Topic:** CSIRO – Review of State and Territory Codes of Practice for Plantation management

**Proof Hansard page:** 27

**Senator COLBECK asked:**

**Senator COLBECK:** We talked to you once before about some work the CSIRO was doing in relation to review of state and territory codes of practice for plantation management. It was supposed to be finished by July 2011. Can you tell me where that is at—whether it is finished?

**Ms Freeman:** I might take that on notice. I may be able to get that to you shortly. I am just not precisely sure of the exact status of that one.

**Answer:**

Commonwealth Scientific and Industrial Research Organisation (CSIRO) has completed its assessment and drafted reports on each state and territory's plantation forestry code of practice. However, discussions with the Queensland and South Australian Governments are continuing regarding the assessments of their codes. In the next two months it is expected these discussions will be complete. Once consultations with the states have concluded, the relevant minister in each state and territory will be formally notified of the outcome of the CSIRO assessment.

CSIRO has assessed each state and territory's plantation code against the National Plantation Principles that are available at [www.daff.gov.au/\\_\\_data/assets/pdf\\_file/0007/37609/principles\\_wood\\_production.pdf](http://www.daff.gov.au/__data/assets/pdf_file/0007/37609/principles_wood_production.pdf).

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**Agriculture, Fisheries and Forestry**

**Question: 99**

**Division/Agency:** Climate Change Division

**Topic:** Tasmanian Forest Contractors Exit Programs

**Proof Hansard page:** 28

**Senator COLBECK asked:**

**Senator COLBECK:** How much money has been paid out? Do you know?

**Ms Freeman:** I will take that on notice of where it is up to.

**Answer:**

The Tasmanian Government has not yet made any payments under the \$15 million Tasmanian Native Forest High Quality Sawlog Contract Voluntary Buyback Program.

In December 2012, the Australian and Tasmanian Governments also committed up to \$10 million to assist regional sawmillers adjust to changing market conditions. As at 21 February 2013 the guidelines for this program are under development and no payments have been made. The program will also be administered by the Tasmanian Government.

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**ANSWERS TO QUESTIONS ON NOTICE**

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**Agriculture, Fisheries and Forestry**

**Question:** 100

**Division/Agency:** Climate Change Division

**Topic:** Rural Financial Counselling Service

**Proof Hansard page:** 32

**Senator COLBECK asked:**

**Senator COLBECK:** What impact has that had on the waiting times, and what is the size of the Tasmanian waiting list at the moment?

**Ms Freeman:** I would have to take that on notice; I honestly do not know.

**Senator COLBECK:** If there a KPI around that I would be interested.

**Ms Freeman:** I could give you some fairly general figures about the demand for the service more generally. It is roughly 7,000 to 8,000 a year across the country. Part of the service includes, for example, providing direct assistance and working with recipients of our transitional farm family payment. They are a direct client, so we have roughly 360 or 370 across Australia on that hardship payment at the moment. That would be a normal part of their client base. I could tell you what they are for Tasmania, but I would just have to take it on notice as I would not know the specifics.

**Answer:**

As at 19 February 2013, the waiting time for new Rural Financial Counselling Services (RFCS) Tasmania clients was two weeks, with 16 clients on the waiting list.

This waiting time is not longer than usual.

If clients have urgent concerns, RFCS Tasmania endeavours to respond earlier.

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**Agriculture, Fisheries and Forestry**

**Question:** 101

**Division/Agency:** Climate Change Division

**Topic:** Rural Financial Counselling Service

**Proof Hansard page:** 32

**Senator COLBECK asked:**

**Ms Freeman:** The quantum of clients has actually fallen, partly in relation to the fact that there are no areas currently in an exceptional circumstance. I think that is one reason. The other is that we have a database that actually monitors the number of clients that we have. That database has changed, partly because we were double counting if someone came in and out of the system twice. So it is hard to say, but the numbers are roughly half of what they were a number of years ago. I think it is also important to note that the nature of the business or their engagement with the RFCS would be quite a different when they are not helping people in terms of their EC applications or whatever. Both the business and the number of clients have changed.

**Senator COLBECK:** What is the cycle of reporting that you receive on that?

**Ms Freeman:** I would have to take that on notice for this specifics. But, for example, they are audited regularly, we would set up biannual meetings with them where we actually go through what is happening in terms of—

**Answer:**

Rural Financial Counsellors are required to record all their client activities in the Australian Rural Counselling (ARC) database.

Information in the ARC database can be interrogated at any time, however Rural Financial Counsellors are only required to ensure all data entry is completed and submitted to the Department of Agriculture, Fisheries and Forestry (DAFF) within seven days of the end of each month.

Rural Financial Counselling Service (RFCS) organisations also provide quarterly reports, mid-year financial reports and annual reports, some of which cover aspects of client servicing.

DAFF also conducts performance audits on RFCS service providers. Between April and July 2012, DAFF conducted performance audits of the 14 service providers engaged to deliver the program for 2011–15. This audit process assessed the operational, structural and management models of the organisations, including their client service processes.

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**Agriculture, Fisheries and Forestry**

**Question:** 102

**Division/Agency:** Climate Change Division

**Topic:** Closure of Eden Wood Chip Mill

**Proof Hansard page:** 33

**Senator RHIANNON asked:**

**Senator RHIANNON:** Minister, have you been involved in any talks about the closure of the Eden chip mill owned by South East Fibre Exports?

**Senator Ludwig:** I will check, but I do not have any clear recollection of that.

**Senator RHIANNON:** So you will take it on notice if there have been any informal or formal talks?

**Senator Ludwig:** If I have, I do not recollect. You asked me whether I have been involved. My recollection is no. Just in case it involved another entity or another name, I will check my records.

**Answer:**

From time to time, the status of individual operations may be referred to in general discussions about the state of the wood products sector. The Minister for Agriculture, Fisheries and Forestry has no specific recollection of the mill referred to in the question.

**Rural and Regional Affairs and Transport Committee**

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**Agriculture, Fisheries and Forestry**

**Question:** 103

**Division/Agency:** Climate Change Division

**Topic:** Logs & Wood Chips for Energy Purposes

**Proof Hansard page:** 34

**Senator RHIANNON asked:**

**Senator Rhiannon:** Are there any export controls over the export of wood pellets made from native forest wood?

**Mr McNamara:** I would have to take that on notice. We should be able to get an answer back this afternoon.

**Senator Rhiannon:** Another one to take on notice with that: for whole logs or wood chips that are destined to be used for energy purposes, including electricity generation, are there any controls with respect to export, or generally?

**Mr McNamara:** Under the Export Control Act that there is a requirement for saw logs over two tonnes for licensing, but under two tonnes it essentially falls to state legislation.

**Senator Rhiannon:** Could you take that on notice, please.

**Answer:**

Wood pellets for energy are considered a processed product and therefore do not require an export license under the *Export Control Act 1982*.

The *Export Control Act 1982*, and the regulations under this Act, requires an exporter to gain a licence from the Australian Government Department of Agriculture, Fisheries and Forestry for 2 tonnes or more of woodchips, wood in the round which is intended to undergo further processing following export, or wood with a cross sectional area of 225 square centimetres or greater which is intended to undergo further processing following export. Further information can be found at [www.daff.gov.au/forestry/industries/export](http://www.daff.gov.au/forestry/industries/export).

Wood and wood products sourced from native forests, in an area covered by a Regional Forest Agreement, do not require an export licence.

Each state and territory has different requirements for the clearing, harvesting and sale of wood and wood products from public and private land. Some states have specific regulations with respect to the use of native forest residues for electricity generation.



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**Agriculture, Fisheries and Forestry**

**Question:** 104

**Division/Agency:** Climate Change Division

**Topic:** Live Cattle Ban Funds

**Proof Hansard page:** 56

**Senator MACDONALD asked:**

**Senator IAN MACDONALD:** But, Minister, is it not a fact that the money you set aside following the live cattle export ban has not been fully taken up. In fact, very few producers could meet what I might editorialise as rather odd guidelines. There is money left over in those funds. There has been a proposal put to you which I have written to you about. I did not make the application—industry groups did. What I am saying is that because the industry is in difficulty—and you do not need to accept my view on that, just read the papers—I am wondering if the government has some thoughts on a general package, not necessarily related to the Indonesian ban, not necessarily related to BJD. People are doing it tough and I do not want you to tell me what you are considering, but is the government considering some sort of industry assistance perhaps only a small amount out of what was left over from the live cattle fund that I understand has not been utilised?

**Senator Ludwig:** Perhaps we can clear up that matter. Any unspent moneys of that package would have been returned to budget. You do not hold them as carryover. I am sure you are familiar with budget rules.

**Senator IAN MACDONALD:** This is for the current year.

**Senator Ludwig:** They are still returned. Any unspent funds will be and have been returned to the Consolidated Revenue Fund.

**Senator IAN MACDONALD:** Even if they are out of this year?

**Senator Ludwig:** You do not hold unspent moneys.

**Senator IAN MACDONALD:** No, but you have a program and I assume people can still apply for it.

**Senator Ludwig:** That date has finished, as I understand it.

**Senator IAN MACDONALD:** Perhaps on notice, can someone tell me what was actually used of the fund that was announced following the live cattle ban?

**Senator Ludwig:** The total of the funds allocated was about \$12.7 million during 2012.

**Senator IAN MACDONALD:** Is that what was paid out?

**Senator Ludwig:** Yes.

**Senator IAN MACDONALD:** What was the total program that was offered?

**Senator Ludwig:** I will have to take that on notice. I cannot recall it.

**Senator IAN MACDONALD:** Thank you.

**Answer:**

In response to the temporary suspension of live animal exports to Indonesia, the government allocated \$30 million to assist businesses directly impacted by the temporary suspension.

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**Question:** 104 (continued)

These measures included:

- \$17.18 million Business Assistance Package.
- \$0.97 million Financial Advice Grants.
- \$7.40 million Subsidised Interest Rate Scheme.
- \$5.00 million Approved Supply Chain Improvements Program.

In addition to the business support measures, the government also allocated \$3.05 million for an Income Recovery Subsidy to assist individuals whose income was affected by the temporary suspension.

**Rural and Regional Affairs and Transport Committee**

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**Agriculture, Fisheries and Forestry**

**Question:** 105

**Division/Agency:** Climate Change Division

**Topic:** Tasmanian Forests Intergovernmental Contractors Voluntary Exit Grants Program

**Proof Hansard page:** 60

**Senator RHIANNON asked:**

**Mr Metcalfe:** I have one thing come back to assist the matter that we took on notice earlier. Senator Rhiannon asked for a list of all the grantees under the Tasmanian Forests Intergovernmental Agreement Contractors Voluntary Exit Grants program. I am advised that all grants paid for by the department are listed on the grants reporting section of the department's website. The 58 grantees of the program are listed from March 2012 onwards. I have a particular part of the website I can refer you to so I will give that to the secretariat and they can refer it to Senator Rhiannon.

**Answer:**

The website address is [www.daff.gov.au/about/obligations/grants-reporting-requirements](http://www.daff.gov.au/about/obligations/grants-reporting-requirements).

**Rural and Regional Affairs and Transport Committee**

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**Agriculture, Fisheries and Forestry**

**Question:** 106

**Division/Agency:** Climate Change Division

**Topic:** Funds to the Australian Cattle Industry

**Proof Hansard page:** 65

**Senator MACDONALD asked:**

**Senator IAN MACDONALD:** On the \$20 million. I accept what you say. I am simply asking you, on notice if needs be: is there anything else that has gone to the Australian cattle industry following the live cattle ban apart from the 12 point whatever it was million dollars you mentioned earlier, Minister.

**Senator Ludwig:** My recollection of it is that the substantive funds—I think it was \$12.7 million—have been expended out of a package. There was also, I think, at the time a range of other measures that were addressed, but I would take that on notice rather than speculate.

**Senator IAN MACDONALD:** If you would take that on notice, I would appreciate it. Thank you very much.

**Answer:**

In response to the temporary suspension of live animal exports to Indonesia, the government provided the following assistance measures to the Australian cattle industry through the Department of Agriculture, Fisheries and Forestry (DAFF):

- Income Recovery Subsidy.
- Priority assistance through Job Services Australia.
- Business Assistance Package (comprising a Business Assistance Payment and Business Hardship Payment).
- Financial Advice Grants.
- Subsidised Interest Rate Scheme.
- A Rural Financial Counsellor located in the Northern Territory for six months to 31 January 2012.
- Approved Supply Chain Improvements Program.

As at 31 January 2013, total payments to recipients for measures managed by DAFF is \$12.92 million:

- Income Recovery Subsidy - \$0.07 million.
- Business Assistance Package - \$11.90 million.
- Financial Advice Grants - \$0.29 million.
- Subsidised Interest Rate - \$0.47 million.
- Approved Supply Chain Improvements Program - \$0.19 million.

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**Question:** 106 (continued)

Applications for the Income Recovery Subsidy, Business Assistance Package, Financial Advice Grants and Subsidised Interest Rate have closed.

Payments to recipients of the Subsidised Interest Rate Scheme will continue until 30 June 2014 and those registered for assistance through Job Services Australia (JSA) will receive support until they find new employment and are exited from their JSA provider.

Applications for the Approved Supply Chain Improvement Program will be accepted until 30 April 2013.

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**Agriculture, Fisheries and Forestry**

**Question: 107**

**Division/Agency:** Climate Change Division

**Topic:** Total Payments to Cattle Exporters

**Proof Hansard page:** 65

**Senator WILLIAMS asked:**

Perhaps you could take it on notice to provide details of the total payments to Australians, whether they be exporters or the cow cockies themselves. I would be interested to see if it is as much as the \$20 million that was given to Indonesia. It probably will not be.

**Answer:**

See answer to question on notice 106.

**Rural and Regional Affairs and Transport Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

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**Agriculture, Fisheries and Forestry**

**Question:** 108

**Division/Agency:** Climate Change Division

**Topic:** States Notifying of RFA Changes

**Proof Hansard page:** Written

**Senator RHIANNON asked:**

In response to my question on 11 February 2013 in Estimates about the RFA and the responsibility of state governments to inform the federal government of any changes relevant to the implementation of the RFA that covers their forests Department officers stated that they would “expect discussions”. Will the federal government initiate these discussions? What steps have to be taken for these discussions to occur?

**Answer:**

The Commonwealth is committed to ensuring the Regional Forest Agreements (RFAs) are durable and that the obligations and commitments that they contain are delivered to ensure effective conservation, forest management and forest industry outcomes. RFAs provide for adaptive management and continuous improvement.

The Australian Government would initiate discussions with an RFA state government if it became aware of any proposed change that could potentially have a major impact on an RFA.

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**Agriculture, Fisheries and Forestry**

**Question:** 109

**Division/Agency:** Climate Change Division

**Topic:** RFA Review Process

**Proof Hansard page:** Written

**Senator RHIANNON asked:**

What is the process to review, adjust or cancel regional forestry agreements when one party to the RFA expands sawlog production or reduces the strength of state environmental legislation?

**Answer:**

Regional Forest Agreements can be amended by agreement from both parties.

Regional Forest Agreements can be found at <http://www.daff.gov.au/forestry/policies/rfa>.



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**Question: 110**

**Division/Agency:** Climate Change Division

**Topic:** Logging in National Parks and RFA Breaches

**Proof Hansard page:** Written

**Senator RHIANNON asked:**

If the NSW Government makes areas inside National Parks available for logging would the Commonwealth consider this a breach of the RFA? Have there been any discussions with the NSW Government on this issue?

**Answer:**

The Department of Agriculture, Fisheries and Forestry (DAFF) is not aware of any intentional logging in national parks or in the comprehensive, adequate and representative reserve system occurring in Regional Forest Agreement (RFA) forest areas.

DAFF has not had any discussions with New South Wales (NSW) with regard to logging in national parks, and we are not aware of any forestry activities that are not consistent with the NSW RFAs.

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**ANSWERS TO QUESTIONS ON NOTICE**

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**Agriculture, Fisheries and Forestry**

**Question: 111**

**Division/Agency:** Climate Change Division

**Topic:** Tasmanian Forestry Exit Grants

**Proof Hansard page:** Written

**Senator RHIANNON asked:**

In relation to fraud investigation into the \$17 million exit assistance package for Tasmanian forest contractors by the Department of Agriculture, Fisheries and Forests (DAFF), can the Minister/Department provide a final list of grants provided under the scheme?

**Answer:**

The list of successful grantees under the 2010–11 Tasmanian Forest Contractors Exit Assistance Program, and their grant amounts, are available on the department's website at: [www.daff.gov.au/forestry/national/tfceap/successful\\_applicants](http://www.daff.gov.au/forestry/national/tfceap/successful_applicants).

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**Agriculture, Fisheries and Forestry**

**Question: 112**

**Division/Agency:** Climate Change Division

**Topic:** Diesel Fuel Rebate in the Forestry Sector

**Proof Hansard page:** Written

**Senator RHIANNON asked:**

What is the total amount of the Diesel Fuel Rebate claimed by the logging industry in each of the past 4 years by RFA region?

**Answer:**

Please see the answer to question on notice 288 from the Supplementary Budget Estimates in October 2012.

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**ANSWERS TO QUESTIONS ON NOTICE**

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**Agriculture, Fisheries and Forestry**

**Question: 113**

**Division/Agency:** Climate Change Division

**Topic: Drought Assistance—Re-establishment Assistance**

**Proof Hansard page:** Written

**Senator COLBECK asked:**

Program 1.11 has had increase of Drought Assistance – Re-establishment Assistance has increased by \$3.9 million.

What is the justification for this increase?

How will it be administered and accessed?

What are the eligibility criteria?

**Answer:**

Drought Assistance - Re-establishment Assistance, or the Exceptional Circumstances (EC) Exit Grant program, closed on 10 August 2011. The program has not been reopened.

As at 26 February 2013, 29 act of grace claims were received by the Department of Finance and Deregulation (DoFD) due to the closure of the EC Exit Grant program. DoFD has so far directed the Department of Agriculture, Fisheries and Forestry to pay 22 act of grace claims.

To cover successful act of grace claims payable in 2012–13, \$3.9 million in unspent funds in 2011–12 was moved from 'Drought Assistance - Professional Advice', and reallocated in 2012–13 to 'Drought Assistance - Re-establishment Assistance'.

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**Agriculture, Fisheries and Forestry**

**Question:** 114

**Division/Agency:** Climate Change Division

**Review and Assessment of Assistance Provided to Primary Producers Through the Provision of Tax Concessions**

**Proof Hansard page:** Written

**Senator COLBECK asked:**

What is the status of the “Review and assessment of assistance provided to primary producers through the provision of tax concessions”? Is it publicly available yet? What is causing the delay in publicly releasing this review? What are the key outcomes?

**Answer:**

The final report’s name is ‘*Supporting primary producers under the Australian taxation system*’. During drafting, the report was referred to as ‘*Review and assessment of assistance provided to primary producers through the provision of tax concessions*’.

The report ‘*Supporting primary producers under the Australian taxation system*’ has been finalised and is published on the Department of Agriculture, Fisheries and Forestry’s website. The report is available at <http://www.daff.gov.au/agriculture-food/tax>.

The report by PricewaterhouseCoopers analysed the publicly-available taxation statistics as they related to the primary production sector at that time, and drew on the 2010 Tax Expenditure Statement (2008–09 data). The report does not represent the current suite of taxation measures or the latest data available.