

**Senate Standing Committee on Rural and Regional Affairs and Transport**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2007

**Agriculture, Fisheries and Forestry**

**Question no:** RPI 01

**Division/Agency:** Rural Policy and Innovation

**Topic:** Rural Financial Counsellor locations

**Hansard page:** 121 (23/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—Do you keep material on a state by state, region by region basis on where the rural financial counsellors are located?

**Mr Thompson**—Yes, we do.

**Senator O'BRIEN**—Can this committee receive a copy of that?

**Mr Thompson**—I do not have it with me, but we can take that on notice and provide it.

**Answer:**

The DAFF website provides a list of current rural financial counsellor locations on a state-by-state and region-by-region basis:

<http://www.daff.gov.au/agriculture-food/aaa/rfcs/counsellors>

Rural financial counsellors also provide a mobile service across Australia. Some rural financial counsellors are based in a central office. Others work within a region without a fixed office location.

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 02

**Division/Agency:** Rural Policy and Innovation

**Topic:** Rural Financial Counselling Service Programme

**Hansard page:** 122 (23/05/07)

**Senator O'Brien asked:**

Do you know what the average case load per counsellor is?

**Mr Thompson**—It varies quite significantly, depending on the area, but we do have that data. Again, I do not have that level of detail here, but I can provide it.

**Senator O'BRIEN**—I would appreciate that, broken down by state, territory and region.

**Answer:**

For the February-April 2007 period, there was an average of 79 full time equivalent rural financial counsellors employed by the 16 service providers delivering the Rural Financial Counselling Service (RFCS) Programme. This includes counsellors funded through the 2006 Drought Package.

The case load for each rural financial counsellor can vary between services and also between counsellors within a service depending on the nature of their work and the travel time involved.

Rural financial counsellors covering a wider area may potentially have a lower number of clients as they travel further between each client. Similarly, counsellors working on more fundamental issues to do with change and adjustment will take more time with each client than when assisting with forms for Exceptional Circumstances or other government assistance.

**Average Number of Clients / Rural Financial Counsellor (FTE) / month**

**Period:** February 07 - April 07

Queensland	19.00
New South Wales	38.40
Victoria	31.50
South Australia	18.60
Western Australia	11.30
Tasmania	23.00
<b>National</b>	<b>29.70</b>

Please note:

The Australian Capital Territory is serviced by a service provider in New South Wales and the Northern Territory is serviced on an 'as needed' basis, previously Queensland and South Australian services.

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**Average Number of Clients / Rural Financial Counsellor (FTE) / month**

**Period:** February 07 - April 07

**REGIONS**

**NSW**

RFCS NSW – Central West	46.30
RFCS NSW – Bourke	24.00
RFCS NSW – Wentworth / Balranald	27.00
RFCS NSW – Southern Region	38.50
RFCS NSW – Northern Region	38.40

**VIC**

RFCS Victoria – Wimmera South West	46.20
RFCS Victoria – Goulburn Murray Hume	21.20
RFCS Victoria – North Central	37.20
RFCS Victoria – Sunraysia	37.60
RFCS Victoria – Gippsland	28.00
RFCS Victoria – Mallee	32.70

**QLD**

RFCS - Queensland - Central Southern Region	18.70
RFCS - Queensland - South Western Region	19.40

RFCS Western Australia 11.30

RFCS South Australia 18.60

RFCS Tasmania 23.00

The DAFF website provides a list of current service provider regions and the towns in those regions.

<http://www.daff.gov.au/agriculture-food/aaa/rfcs/counsellors>

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 03

**Division/Agency:** Rural Policy and Innovation

**Topic:** Farm Help Programme

**Hansard page:** 3 (24/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**-Could you give me a breakdown of how that figure of \$26,956,000 is calculated?

**Mr Thompson**-I could not go to that level of detail here, Senator, but the number is calculated taking into account anticipated numbers of re-establishments, professional advice and receipt of Farm Help. ....

**Senator O'BRIEN**-Could we have the numbers?

**Mr Bowen**-Could I make just one more point: the other feature in these estimates is that previously the Farm Help program was going to wind down in 2007-08. Because the government has made the decision to continue Farm Help, we have had to take account of continuing demand; otherwise we would have been in a situation of having to inform potential recipients that limited income support was available. We have to start winding down. If you look at the forward estimates in table 2.2, you can see the sort of estimated demand for Farm Help going forward. We have estimated, as Mr Thompson said, a demand of about \$20 million to \$24 million a year.

**Dr Samson**-We will get you a breakdown of how that figure was arrived at and the basis or the assumptions for the estimate.

**Answer:**

The breakdown for the \$26,956,000 allocated to the Farm Help programme for 2007-08 is as follows:

Income Support	\$13,110,000
Re-establishment Grant	\$ 9,967,000
Initial Advice Session	\$ 1,220,000
Other Advice/Training Session	\$ 2,659,000

**Customer numbers**

Income Support	550
Re-establishment Grant	113 (includes re-entry clients)
Initial Advice Session	938 (includes re-entry clients)
Other Advice /Training Session	798 (includes re-entry clients)

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**Base for Income Support**

Estimates allow for 500 customers and are based on the previous two year's client numbers and a marginal increase in customers exiting Exceptional Circumstances assistance. It is assumed the operation of new eligibility criteria will add 10 per cent to the 500 base customers to give 550.

**Re-establishment Grant**

It is assumed Farm Help Re-establishment Grant (FHRG) uptake will remain at around 10 per cent for customers accessing the program for the first time. It is assumed for re-entry clients that the number accessing the FHRG will be higher at 15 per cent given that income support is not available to these clients.

**Advice and Training**

It is assumed that all new clients and re-entry clients will undertake the initial advice session. It is then assumed that 85 per cent of clients will undertake other advice and training.

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**Question no:** RPI 04

**Division/Agency:** Rural Policy and Innovation

**Topic:** Farm Help Programme

**Hansard page:** 4 (24/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—We do not know how many people apply?

**Mr Thompson**—That number is available—Centrelink does keep that number—but I just do not have it with me. We could take that question on notice.

**Senator O'BRIEN**—Yes, if you would please.

**Answer:**

**Number of Farm Help claims received by Centrelink**

Year	Claims
2004-05	723
2005-06	1055
2006-07 (Jul 06 – May 07)	708

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**Question no:** RPI 05

**Division/Agency:** Rural Policy and Innovation

**Topic:** Farm Help Programme

**Hansard page:** 4 (24/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—Yes, if you would please. How long is the process between families applying for Farm Help and receiving the first payment?

**Mr Thompson**—The time does vary. I would not like to speculate because Centrelink is close to administering the program. I know that we have a KPI of targeting payments within about a month. Some are done much more quickly than that, depending on the complexity of the case. But if you want the details we will take that question on notice.

**Senator O'BRIEN**—Thank you.

**Answer:**

In 2006-07 to date, 89 per cent of successful applications are made within 42 days from lodgement of the initial claim. Some claims are simpler than others and can be processed in a shorter amount of time however, Centrelink are required to process 80 per cent of all claims within 42 days.

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 06

**Division/Agency:** Rural Policy and Innovation

**Topic:** Farm Help Programme

**Hansard page:** 5 (24/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**-Is there any reason why this committee could not see those reports?

**Mr Thompson**-I would have to check with Centrelink on that because, as you would appreciate, payments of this nature involve some privacy considerations. I will just check with them to establish what their policy is.

**Senator O'BRIEN**-I do not want to see any names.

**Mr Thompson**-I understand that, but some regions and some states do not have a lot of people in them, so they become apparent. We will check with Centrelink. There certainly will be no problem in providing that detail at a state level.

**Senator O'BRIEN**-Okay. In any case it would be interesting to see an example of the format of the reports that you get from Centrelink.

**Mr Thompson**-Yes.

**Senator O'BRIEN**-It would be good to see the actuals, but if that is a problem I would appreciate seeing a format with details that might identify anything.

**Mr Thompson**-There would be no problem in providing the details or the format of the nature of the things that come forward. I am sure that there is some way we can provide adequate detail and give an example of what is in there. So we will take that question on notice.

**Answer:**

Extracts from the Farm Help Management Information Report for May 2007 covering Farm Help Income Support, Re-establishment Grants, Advice and Training, Pathways Planning and Timeliness is at **Attachment A**.

**Guide to Acronyms**

FHIS:	Farm Help Income Support
FHATS:	Farm Help Advice and Training Scheme
FHRG:	Farm Help Re-establishment Grant
FEFA:	Farm Enterprise Financial Assessment
PP:	Pathways Plan

[RPI 06 attachment]



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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 07

**Division/Agency:** Rural Policy and Innovation

**Topic:** Advancing Agricultural Industries (*formally Industry Partnerships Programme*) - **Industry Proportions**

**Hansard page:** 5 (24/05/07)

**Senator O'Brien asked:**

Can the Department indicate what the breakdown of this programme is between agriculture, fishery and forestry support for the current financial year and prospectively for the coming financial year?

Is it possible to get an approximation of the industry proportions?

**Answer:**

The Advancing Agricultural Industries Programme commenced on 1 July 2007 and is the successor to the Industry Partnerships Programme.

The Industry Partnerships Programme financial breakdown by sector for 2006-07 is:

- agriculture - \$3.4 million;
- fisheries - \$0.336 million; and
- forestry - \$0.270 million.

The breakdown of expenditure in 2007-08 will be dependent on applications approved.

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**Question no:** RPI 08

**Division/Agency:** Rural Policy and Innovation

**Topic:** Grant summaries on website

**Hansard page:** 5 (24/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—Are details of the grants provided in their location on the website, or can you supply that on notice?

**Mr Thompson**—We can supply that on notice. The details of each grant and related activities are announced in media releases at the time and a summary of those projects is on the website. I am not familiar with the detail that is there, but the nature of the projects and related activities are the sorts of things we include in reports from time to time. If we have not got them there we can certainly provide that on notice.

**Answer:**

The details of grants and related activities are usually announced in media releases by the Minister for Agriculture, Fisheries and Forestry and these releases are available on his website <http://www.maff.gov.au/releases/index.html>.

A list of each approved grant is published in the Department's annual report. The project summaries are also available on the Department's website <http://www.daff.gov.au/agriculture-food/aaa/advancingindustries>.

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 09

**Division/Agency:** Rural Policy and Innovation

**Topic:** Applications considered, approved and rejected under the Industry Partnerships Programme

**Hansard page:** 7 (24/05/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—How many applications have been considered under predecessor programs?

**Mr Bowen**—I do not have that information available. I would have to take that question on notice.

**Senator O'BRIEN**—Could you provide us with how many were considered, how many were approved and how many were rejected?

**Mr Bowen**—Yes.

**Answer:**

Since the inception of the Industry Partnerships Programme in 2004-05, there have been 74 applications considered, of which 50 projects have been approved and 24 projects have not been supported.

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 10

**Division/Agency:** Rural Policy and Innovation

**Topic:** The Australian Olive Industry Peak Body

**Hansard page:** 11 (24/05/07)

**Senator Heffernan asked:**

**CHAIR**—Could you give us a list of who makes up the members of the olive growers peak bodies?

**Mr Thompson**—We would have only what is in our records.

**CHAIR**—You are doing their work so we just thought we would like to know who you are supplying the money to because they represent the members.

**Mr Thompson**—We can provide what information we have on who are the members of the Australian Olive Association, but I think their articles of association or incorporation would be the normal sort of thing on the public record. We tend to deal with their executive.

**Answer:**

Following a *Taking Stock and Setting Directions* project and an *Action Partnerships* project, a Steering Committee consisting of representatives from the Australian and state olive associations met on 2 June 2007 and established a new national peak body. Members of the new peak body board comprise:

Mr Paul Miller, President

Mr Nelson Quinn, Vice President

Mr Mike Baker, Western Australian Director

Mr Paul Challis, Director

Mr Robert Goddard, Tasmanian Director

Ms Gwynedd Hunter-Payne, Victorian Director

Mr Gerald Keatinge, Queensland Director

Mr Rob McGavin, Director

Ms Lisa Rowntree, South Australian Director

Mr Chuck L'Heureux, Secretariat

Ms Margaret Chidgey, webmaster and journal editor

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**Question no:** RPI 11

**Division/Agency:** Rural Policy and Innovation

**Topic:** Professional Advice and Planning Grant

**Hansard page:** 15-16 (24/5/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—How many potential applicants are there?

**Mr Thompson**—I do not have that figure with me. We will have to take that on notice. There was a number that was used when the calculation was done but it is at best an estimate.

**Answer:**

The original estimated number of eligible applicants was 8,244 over 2006-07 and 2007-08. However, the programme is demand driven and this number will continue to increase as additional areas become Exceptional Circumstances declared for more than three years.

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 12

**Division/Agency:** Rural Policy and Innovation

**Topic:** Departmental Spending on Drought

**Hansard page:** 20 (24/5/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—What is projected for the coming financial year?

**Mr Thompson**—Within the department I do not have to hand detailed departmental total administrative costs, or total costs for the drought program. We would have to take that question on notice. As I said, we have within the department the Centrelink costs and the departmental costs, but we do not have departmental costs for administration, though the bulk of administration is undertaken in Centrelink. We just have a model staff doing assessments, and monitoring and reviewing the large component is Centrelink.

**Answer:**

The projected departmental spending on drought administration for 2007-08 is as follows:

<b>ESTIMATE OF DEPARTMENTAL SPENDING FOR 07-08</b>	
	<b>\$</b>
Employee Expenses	2,847,691
Consultants	800,000
NRAC Salaries	250,000
Domestic Travel	500,000
Public Relations and Marketing	225,000
Other Administrative Costs	120,000
<b>Total</b>	<b>4,742,691</b>

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Agriculture, Fisheries and Forestry

**Question no:** RPI 13

**Division/Agency:** Rural Policy and Innovation

**Topic:** IRS applications received, rejected

**Hansard page:** 21 (24/5/07)

**Senator O'Brien asked:**

**Mr Thompson**—That sets out the number of farms in the area, the current ones receiving assistance, and the number of approved applications. I do not think it sets out the number of applications received and the number rejected, Senator. I think we provided some answers to that on notice after the last estimates hearing when we went through applications received, rejected et cetera.

**Senator O'BRIEN**—Can we get that answer updated?

**Mr Thompson**—Yes, we can.

**Answer:**

**Table A : IRS applications received, rejected as at 30 June 2007**

<b>State</b>	<b>Total approvals</b>	<b>Total declines</b>	<b>Total applications</b>	<b>% declined</b>
<b>NSW</b>	19371	9389	28760	32.65
<b>VIC</b>	6658	1511	8169	18.50
<b>QLD</b>	10191	2235	12426	17.99
<b>SA</b>	599	137	736	18.61
<b>WA</b>	1106	409	1515	27.00
<b>Total</b>	<b>37925</b>	<b>13681</b>	<b>51606</b>	

Please note that the percentage shown for these applications could after time decline because some applications may be successful on appeal. This figure may include farmers that have had a successful application at some stage. The figures given at Senate Estimates in May 2007 were as at 27 April 2007. The figures in Table A are as at 30 June 2007.

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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 14

**Division/Agency:** Rural Policy and Innovation

**Topic:** Income support rejections

**Hansard page:** 21-22 (24/5/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—Do you know how many applications were rejected in the last 12 months on the grounds of a failure to meet the income and asset test?

**Mr Thompson**—I have the total numbers for the interest rate subsidy and I have the total numbers of approvals and declines as at April this year. I do not think we have them for income support.

**Mr Cupit**—No.

**Mr Thompson**—But we do have the interest rate subsidy. Essentially, the interest rate subsidy does not have an income and asset test. But for income support, the main reasons for rejection have been an assessment that the business was not in need. There were some declarations in the past that required you to have two failed crops or to be in certain industries. That excluded some people up until this year. A number were rejected because less than 50 per cent of their income comes from farming; that is, predominantly they have off-farm sources of income. I do not have the numbers for income support.

**Senator O'BRIEN**—Can you take that question on notice?

**Mr Thompson**—We can take that on notice and see what we can provide.

**Answer:**

Figures supplied by Centrelink:

The following numbers are for the claims for income support (farmer and small business combined) which were rejected during the period 1 July 2006 to 30 June 2007 for the reasons 'assets over allowable limit' and 'income precludes entitlement'.

Rejection reason: Assets over the allowable limit

Number of claims rejected: 1578

Rejection reason: Income precludes entitlement

Number of claims rejected: 681



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**Agriculture, Fisheries and Forestry**

**Question no:** RPI 15

**Division/Agency:** Rural Policy and Innovation

**Topic:** Costs for Drought Buses

**Hansard page:** 23 (24/5/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—So the cost of that will be built in the Centrelink costs that you will advise me of, will they, or will you be advising them separately?

**Mr Thompson**—We can. I think with the cost of the buses, some of the earlier ones may have been part of the cost we paid to Centrelink, but the newer buses have been part of additional supplementary funding. We could obtain those figures on notice, Senator. I think someone said the buses have been successful. We have gone to 200 towns, and 70 per cent of the customers had never been to Centrelink before.

**Answer:**

The drought buses are a Department of Human Services initiative, which are administered by Centrelink. The initiative was costed at \$11 million over 3 years (\$2.232m for 06-07, \$4.534m for 07-08 and \$4.235m for 08-09). The Department of Human Services would be able to provide the details of actual spending for 2006-07.