

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC01

**Division/Agency:** Climate Change

**Topic:** Drought Expenditure 2008-09

**Hansard Page:** Written Question

**Senator Colbeck asked:**

Can you give us an actual expenditure on all drought programs in 2008–09 — actual money expended?

**Answer:**

The actual expenditure on Department of Agriculture, Fisheries and Forestry's drought programs in 2008-09, as at 31 May 2009, is shown in the following table:

<b>DROUGHT EXPENDITURE 2008-09</b>	
<b>PROGRAM</b>	<b>2008-09 to 31/5/09</b>
	<b>\$m</b>
Interim Income Support - Farmers	1.347
Interim Income Support - Small Business	0.066
EC Interest Rate Subsidies - Farmers	457.257
ECIRS State Administration - Farmers	13.043
EC Interest Rate Subsidies - Small Business	22.162
ECIRS State Admin - Small Business	1.070
EC Relief Payments - Farmers	287.260
EC Relief Payments - Small Business	13.684
Professional Advice and Planning	13.037
EC Exit Grants	16.511
EC Exit Advice & Retraining	0.080
EC Exit Relocation	0.052
MDB Irrigation Management Grants	53.822
<b>TOTAL</b>	<b>879.390</b>

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC02

**Division/Agency:** Climate Change

**Topic:** Carbon emissions due to logging compared to emissions from bushfires

**Hansard Page:** 90-91 (25/05/2009)

**Senator Macdonald asked:**

I appreciate no one is here from the Bushfire CRC or, I assume, from the National Greenhouse Gas Inventory. I guess that would be in the climate change department now. But can anyone tell me why the range would be so different: 2.7 million tonnes of carbon dioxide, according to the National Greenhouse Gas Inventory, and 70 to 105 million tonnes from the Bushfire CRC, a figure which, to me, makes much more common sense.

**Answer:**

The Government prepares the National Greenhouse Gas Inventory Report on an annual basis in accordance with international emissions accounting requirements. In contrast, the Bushfire cooperative research centre figures take into account emissions across years including the 2003 and 2006/07 fire events.

The National Inventory Report 2006 reported emissions of 2.7 million tonnes carbon dioxide equivalent from biomass burning (prescribed fire and wildfire) in forests. This estimate covered only non-carbon dioxide emissions, in accordance with international guidelines.

The National Inventory Report 2007, which was released in June 2009, includes carbon dioxide and non-carbon dioxide emissions from fire, with total greenhouse gas emissions from prescribed fire and wildfire in forests of 25.6 million tonnes carbon dioxide equivalent.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC03

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances

**Hansard Page:** 94 (25\05\2009)

**Senator Nash asked:**

**Mr Mortimer**—In terms of the process of doing the EC assessments, NRAC relies on information from the state governments and from the state offices on the ground, such as Pasture Protection, Department of Agriculture et cetera—sorry, that is old-fashioned terminology. They provide a lot of information to NRAC and often accompany NRAC on the tours around the region. There are a number of instances where—on the basis of what is seen by NRAC when they do those tours, assess the data and interact with New South Wales or any other government officials—the state will say: yes, we think that there is a case for continuing the EC in half the region and not the other, for example. That happens from time to time and would be reflected in the report to the minister. Where the state agrees with that through that process, that will be reflected in the recommendations to the minister and it will be acted upon. So you will from time to time see decisions on EC outcomes where the minister will say that assistance will continue for a revised area, and sometimes that gets reflected in the name of that area as it continues.

**Senator NASH**—Is it possible to provide the committee with the information of those instances where they have happened, say, within the last five years?

**Mr Mortimer**—I think we did that in answer to a question on notice from last estimates. It might be in my papers.

**Senator NASH**—I was not in this committee last estimates. Forgive me for not being across that.

**Mr Mortimer**—That is fine.

**Senator NASH**—If not, if you could do that, it would be very useful.

**Mr Mortimer**—We can give you an updated one, but we have provided that information previously and there are examples that are known.

**Answer:** 19 Exceptional Circumstances (EC) declarations have had boundary revisions in the last five years.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC03 (continued)

<b>Original EC Area</b>	<b>EC Declaration Period for Original Area</b>	<b>Revised EC Area</b>	<b>EC Declaration Period for Revised area</b>
<b>New South Wales</b>			
Bourke and Brewarrina	13 November 2002 to 15 June 2008	Bourke (formerly Bourke and Brewarrina)	16 June 2008 to 15 June 2009
Central North North-West *this area ceased 30 September 2008; boundaries were revised and reduced into 4 EC areas. These 4 areas do not fully cover the original EC area	16 January 2003 to 31 September 2008	Central North North-West Coonabarabran  Central North North-West Coonamble  Central North North-West Northern New England Revision  Central North North-West Northern Slopes Revision	1 October 2008 to 31 March 2009  1 October 2008 to 31 March 2009  1 October 2008 to 31 March 2009  1 October 2008 to 31 March 2009
Dubbo	21 October 2003 to 31 March 2009	Dubbo Revised	1 April 2009 to 31 March 2010
Molong	23 October 2003 to 31 March 2009	Molong Revised	1 April 2009 to 31 March 2010
North-East Northern New England	6 February 2003 to 30 September 2008	North-East Northern New England Revised	1 October 2008 to 31 March 2009
Northern Tablelands Small Areas	2 June 2006 to 31 March 2009	Northern Tablelands Small Areas Revised	1 April 2009 to 15 June 2009
Nyngan	6 February 2003 to 31 March 2009	Nyngan Revised	1 April 2009 to 31 March 2010

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question: CC03 (continued)**

<b>Original EC Area</b>	<b>EC Declaration Period for Original Area</b>	<b>Revised EC Area</b>	<b>EC Declaration Period for Revised Area</b>
South West Slopes and Plains	23 May 2003 to 3 February 2006	Wagga Divisions A, B and C of the Rural Lands Protection Board	22 July 2005 to 21 July 2006
		Narrandera Division B of the Rural Lands Protection Board	22 July 2005 to 21 July 2006
		Narrandera Division C of the Rural Lands Protection Board	22 July 2005 to 21 July 2006
<b>Queensland</b>			
Burnett Addendum	24 March 2004 to 15 June 2008	Burnett Addendum Revised	16 June 2008 to 15 June 2009
Central Darling Downs	15 September 2003 to 15 June 2009	Central Darling Downs Revised	16 June 2009 to 15 June 2010
North West Ashy Downs	25 June 2004 to 24 June 2007	North West Ashy Downs Revised	25 June 2007 to 15 June 2008
		North West Ashy Downs Revision Two	16 June 2008 to 15 June 2009
Northern Darling Downs	15 September 2003 to 15 June 2009	Northern Darling Downs Revised	16 June 2009 to 15 June 2010
Southern South East	23 May 2003 to 21 July 2006	Southern South East	22 July 2006 to 15 June 2008
		Southern South East Revised (Lockyer Valley)	16 June 2008 to 15 June 2009
South West Queensland	8 December 2004 to 15 June 2009	South West Queensland Revised	16 June 2009 to 15 June 2010
Sunshine Coast	31 March 2003 to 31 March 2005	Sunshine Coast	24 October 2006 to 15 June 2008
Western Downs-Maranoa	17 April 2003 to 15 June 2009	Western Downs-Maranoa Revised	16 June 2009 to 15 June 2010

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question: CC03 (continued)**

<b>Tasmania</b>			
North East and Flinders Island	29 September 2007 to 31 March 2009	Flinders Island	1 April 2009 to 30 April 2010
<b>Victoria</b>			
Central and East Gippsland	23 December 2003 to 30 September 2009	Central and East Gippsland Revised	1 October 2009 to 30 April 2010
<b>Western Australia</b>			
Southern Rangelands (incl Buffer)	24 October 2006 to 31 March 2009	Southern Rangelands Revised (incl buffer)	1 April 2009 to 15 June 2009

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC04

**Division/Agency:** Climate Change

**Topic:** Forestry industry database

**Hansard Page:** 115 (25/05/2009)

**Senator Colbeck asked:**

We will move onto the forestry industry database. We were told last estimates that there is a development process to put out a tender into the community. Where are we at with that?

**Mr Talbot**—A tender was conducted. We are finalising arrangements for a preferred tenderer at the moment, to develop an industry database over the next 15 months, and we are in the final stages also, with an industry body, to host the website.

**Senator COLBECK**—How many tenders were received?

**Mr Talbot**—I would have to take that on notice, but I think it was around eight.

**Answer:**

Eight tenders were received by the department for this project.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC05

**Division/Agency:** Climate Change

**Topic:** Illegal logging

**Hansard Page:** 117 (25/05/2009)

**Senator Colbeck asked:**

The question then is: when are we likely to get to this place? It has taken us 18 months to get to the stage of finding out what our options might be when the clear promise was: 'A Rudd Labor government will crack down on the importation of illegally logged timber.' It is suspected to be a significant proportion of the Australian timber market. We do not actually know, because a lot of the stuff is not in place.

**Senator Sherry**—That is a policy decision for government to take, Senator Colbeck.

**Senator COLBECK**—You are right; it is a policy. But it is a promise that you have already made, that you are going to do it.

**Senator Sherry**—Yes.

**Senator COLBECK**—We are 18 months in and we are still getting to the stage where we are finding out what—

**Senator Sherry**—We are halfway through our term, we are 18 months in, and when the government is elected it does not introduce in detail all of its election commitments from day one.

**Senator COLBECK**—I have not made that intimation. I am just trying to get a sense of a time frame of where we are going to be and what the policy options are. We have asked questions about this genuinely at each estimates to find out where things are at.

**Senator Sherry**—Yes. I understand.

**Senator COLBECK**—I am just trying to get a sense of what the time frame is going to be.

**Senator Sherry**—In terms of a final decision as to implementation, we cannot give that to you. That is a policy matter that would need to be determined by the minister and cabinet and the processes that it wants followed. But I will take it on notice and I will discuss it with the minister firsthand.

**Answer:**

The timing for a decision on regulatory options to give effect to the illegal logging policy will be determined by the government. The Centre for International Economics will release a draft Regulation Impact Statement for public comment shortly which will assess regulatory options for giving effect to the government's illegal logging election commitments.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC06

**Division/Agency:** Climate Change

**Topic:** **Tasmanian Community Forest Agreement Industry Development Program**

**Hansard Page:** 118 (25/05/2009)

**Senator Milne asked:**

**Senator MILNE**—I note in the appropriation here that the Tasmanian Community Forest Agreement program concluded in 2008-09 and that there has been an allocation there. Do you have a full list of how that money was disbursed and is it on your website, or how can I get hold of that list?

**Mr Mortimer**—We do not have that full list at that stage, I understand. I am advised by Mr Talbot that it is not on the website, but we can take that on notice and provide that to you.

**Senator MILNE**—Yes. As you will recall, the Auditor-General had a few words to say about the administration of that grants program, so I would like to see how the money was disbursed. I presume all the money has now been disbursed and that is an end to it, or was any left over and transferred to something else?

**Mr Talbot**—The program terminates at the end of June, so there are still some payments to make. We can give you an update as at now and we can also give you an update when the program closes. We are happy to do that.

**Senator MILNE**—Okay. In terms of the program closing, am I to assume that there will be no moneys left over at the end of June?

**Mr Mortimer**—We cannot necessarily assume that, but it is unclear what the situation will be there. If there are underspends and to the extent of underspends, that is an issue for the minister and government to determine what they do with it.

**Senator MILNE**—If you will, just take on notice what is spent till now, and update me at the end of June including any money that is not spent at that point.

**Answer:**

As at 30 June 2009 expenditure on the Tasmanian Community Forest Agreement Industry Development Program (TSFAIDP) was as follows:

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC06 (continued)

Program	Budget allocation 2008-09	Expenditure (at 30 June 2009)	Funds remaining (at 30 June 2009)
Tasmanian Forest Industry Development Program	\$ 26,879,000	\$ 25,348,704	\$ 1,530,296
Tasmanian Softwood Industry Development Program	\$ 8,291,000	\$ 8,486,284	-\$ 195,284
Tasmanian Country Sawmills Assistance Program	\$ 3,000,000	\$ 1,420,299	\$ 1,579,701
<b>TOTAL</b>	<b>\$ 38,170,000</b>	<b>\$ 35,255,287</b>	<b>\$ 2,914,713</b>

The remaining unspent funds of \$2.914 million includes a combination of unclaimed grant allocations from a number of incomplete grants and savings incurred in completing grant projects within their original budgets, and from grantees having withdrawn from the program during the 2008-09 financial year.

The unspent \$2.914 million at the conclusion of the program forms part of the \$4 million in program underspends across the Department that were allocated to the Caring for our Country Landcare program to fund Landcare facilitators.

The TSFAIDP program has concluded.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC07

**Division/Agency:** Climate Change

**Topic:** Issues surrounding managed investment schemes e.g. Timbercorp and Great Southern collapse

**Hansard Page:** 121 (25/05/2009)

**Senator Milne asked:**

In view of what has occurred is the department going to do a review of them (forestry MIS), given that we now have not only a management issue in terms of natural resource management but a market mechanism to manage in terms of a flood of wood onto the market?

**Answer:**

The government is currently undertaking a comprehensive review of Australia's tax system. The government will consider the tax treatment of Managed Investment Scheme in light of the recommendations of the Henry review. The review panel is expected to provide a final report to the Treasurer by the end of the year. The department is not undertaking a review additional to the Henry review.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC08

**Division/Agency:** Climate Change

**Topic:** Election commitments on Forestry and preparing forest industries for climate change.

**Hansard Page:** 122 (25/05/2009)

**Senator Colbeck asked:**

**Senator COLBECK**—I want to go back to the election commitments on forestry and preparing forest industries for climate change. At the last estimates in February we said that there has been no expenditure recorded against this item. You were intending to spend \$1.65 million in 2008-09. What is the reality of that occurring?

**Mr Talbot**—We have had three projects that we commissioned this financial year. We have spent about \$1.5 million this year on climate change.

**Senator COLBECK**—Spent or allocated?

**Mr Talbot**—I have got expenditure here of \$1.585 to go to a number of projects. One project was commissioned to develop regional climate predictions and biophysical analyses to determine where management intervention is critical and necessary.

**Senator COLBECK**—So that project will be concluded by the end of this financial year?

**Mr Talbot**—I think it will go into next financial year. I do not have the dates they are concluded on, but I will provide them to you.

**Senator COLBECK**—Okay.

**Answer:**

The Department has commissioned three projects in 2008-09 to implement the election commitment Preparing forest industries for the impact of climate change. The total projected expenditure in 2008-09 is \$1.58 million. These projects and projected spending in 2008-09 are:

- A project to develop regional climate projections and biophysical analyses to determine where management intervention may be necessary. Funding of \$1.475 million was paid in 2008-09. The lead contractor is the Bureau of Rural Sciences. The project will be completed by the end of June 2011.
- A stocktake of climate relevant information needs is currently underway. Funding of \$60 000 was paid in 2008-09. The contractor is the Bureau of Rural Sciences and the project is due to be completed by the end of June 2009.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC08 (continued)

- A project that audits the wood resources available for bioenergy production, analyses the impacts of wood-based bioenergy generation on Australia's forests, and provides recommendations on where to target further research. The contractor is Enecon Pty Ltd. A draft report is due by the end of June 2009 and the final report in July 2009. The contract value is \$50,000 and funding of \$45 000 is expected to be paid in 2008-09.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC09

**Division/Agency:** Climate Change

**Topic:** Drought Programs

**Hansard Page:** 89 (25/05/2009)

**Senator Colbeck asked:**

**Senator COLBECK**—Going back to the discussion we had before, obviously you have another budget that is due in 12 months, at which point you will have to put something in it with respect to drought programs, given the unfortunate language—as we have agreed to call it—that was used this year so that you have got a sort of artificial time frame around that. But the department does not know what process the minister is going to use to consult with respect to the way forward?

**Dr O'Connell**—It is now a matter for the government to make its decisions and that is normal for a policy development process of this sort. The government will make its call about how to go about that. It is probably best taken on notice.

**Senator COLBECK**—Yes, I was just going to say that. In the circumstance that there is some sort of process going on between the minister and industry, whoever they may be, if it is possible for Senator Sherry to take on notice (a) if that process is occurring; and (b) who is involved in that process?

**Senator Sherry**—I will certainly do that, Senator Colbeck.

**Answer:**

Throughout the process of the drought policy review there has been extensive public consultation. The drought policy review included investigations of the climatic, economic and social aspects of drought and drought support in Australia by, respectively, the Bureau of Meteorology and CSIRO, the Productivity Commission and an expert social panel. The review also benefited from valuable input by thousands of members of the farming community.

The expert social panel met with government officials and representatives of non-government organisations, received over 250 submissions and benefited from hearing the views from the over 1 000 people who attended 25 public forums. The social assessment by the expert social panel was publicly released on 23 October 2008.

In its inquiry, the Productivity Commission incorporated work undertaken by the Bureau of Meteorology and CSIRO and the expert social panel in their respective investigations. In addition, the Commission received over 100 submissions to the

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC09 (continued)

inquiry and travelled to all states to meet with farmers and other key stakeholders before releasing its draft report into government drought business and income support. Since releasing its draft report, the Commission received a further 78 submissions and undertook further travel to meet with farmers and other key stakeholders. The Commission's final report was tabled in Parliament on 12 May 2009.

The Minister and Departmental officials have informally discussed the issue of drought policy reform on occasions with peak industry representatives at national and state levels over the period since the review was announced in April 2008.

The government is giving careful consideration to all the issues and options raised through each of the assessments and is continuing to work on finalising the detail of its proposed reforms to the drought support system in its effort to improve the drought support system and ensure it works better for farmers.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC10

**Division/Agency:** Climate Change

**Topic:** Green Carbon Paper

**Hansard Page:** Written

**Senator Bob Brown asked:**

Regarding the Review of Green Carbon paper published by the Forests and Forest Industry Council on 10 March 2009, and provided to myself as an answer to a question on notice to the Senate Select Committee on Climate Policy:  
In Table 1 of Appendix B of Global Climate Change and the Tasmanian Forest Products Sector, is it true that just 5 655 hectares of Tasmania was logged between 2001–2006? If Table 1 was wrong and meant to read "average annual areas logged", or something else, is the figure for Tasmania's total true?

**Answer:**

The report 'Global Climate Change and the Tasmanian Forest Products Sector' was commissioned by the Tasmanian Forests and Forest Industry Council. Appendix B was prepared by Dr Phil Polglase from CSIRO.

The figures quoted in Table 1 of Appendix B of the report (which refer to Tasmania's harvest areas), appear to have been derived from Table 39 of *Australia's State of the Forests Report 2008*, published by the Bureau of Rural Sciences. The figures in Table 39 were sourced from Forestry Tasmania through their annually released Sustainable Forest Management Report (see [www.forestrytas.com.au/sfm](http://www.forestrytas.com.au/sfm) for details). These figures are intended to represent regeneration areas, rather than harvesting areas as quoted in Dr Polglase's report.

The Department has obtained harvesting area figures for forests managed by Forestry Tasmania, through their report referenced above. This report shows that between the period 2003-04 to 2007-08, an annual average of 6 455 hectares of Tasmania's multiple-use public native forests was clearfelled. Over this period, an annual average of 7 305 hectares of these forests was partially harvested. As such, the total annual average area of Tasmania's multiple-use public native forests harvested between 2003-04 and 2007-08 was 13 760 hectares. The above mentioned Forestry Tasmania website also contains details on the organisation's plantation harvesting areas.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC11

**Division/Agency:** Climate Change

**Topic:** Collapse of MIS developments Timbercorp and Great Southern

**Hansard Page:** Written

**Senator Heffernan asked:**

1. In the past ten years the total plantation area has increased by about 55%.  
What will be the impact of the collapse of Great Southern and Timbercorp have on plantations now?
2. Would like name of departmental official and contact details please who is handling and monitoring MIS issues?

**Answer:**

1. It is expected that sales in plantation Managed Investment Scheme will decline as a result of the commercial problems experienced by Great Southern and Timbercorp and the continuing global financial crisis but it is too early to quantify the full extent of the impact on the establishment of plantations for 2009-10.
2. Mr Daryl Quinlivan, Deputy Secretary, Department of Agriculture, Fisheries & Forestry, 02 6272 5002    daryl.quinlivan@daff.gov.au

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC12

**Division/Agency:** Climate Change

**Topic:** Forestry marketing and research and development

**Hansard Page:** Written

**Senator Brown asked:**

1. Please detail what activities were funded under the following budget items:
  - Forestry Marketing and Resource Development Act which received \$8.862m in 2008-09 and \$7.872 in 2009-10.
  - The Tasmanian Community Forests Agreement which was funded \$38.17m in 2008-09.

**Answer:**

Under the *Forestry Marketing and Research and Development Services Act 2007* Forest and Wood Products Australia (FWPA) has been declared as the industry services body for the purposes of that Act. FWPA receives levies from the Australian forest industry which it can use for research and development (R&D), marketing and administrative expenses. The Australian Government also matches any funds FWPA spends on R&D. Details on current and completed projects can be found on FWPA's website at: [www.fwpa.com.au](http://www.fwpa.com.au). FWPA's annual reports (also available on the website) details the specific funding for each project.

Under the Tasmanian Community Forest Agreement (TCFA) Industry Development Program, \$38.17 million was allocated to grantees to complete their approved projects during the 2008-09 financial year and to support their associated 30 per cent additional payment entitlements to offset taxation liabilities incurred in receiving their base grant funding. The funding enabled grantees to purchase equipment or upgrade facilities. This will assist industry adapt to changes in resource quality and availability arising from the TCFA.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC13

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Heffernan asked:**

1. Productivity Commission Report recommends drought assistance should be abandoned, could the DAFF please update us about current drought assistance program following 2009 May Budget?
2. At 2007 Federal election, Government promised to overhaul the \$1billion given annually to farmers for drought assistance – I understand originally intended reforms would be implemented by July 2009, is this still going ahead, when will this occur and when will we see the reform package?
3. If present drought programme is to be replaced, what support system will be introduced to help farmers deal with drought and climate change?

**Answer:**

1. The Minister has stated that the Government will not change drought support arrangements for farmers currently receiving assistance in areas that continue to be Exceptional Circumstances (EC) declared.

As announced in the May 2009 budget, drought assistance will continue for farmers in EC-declared areas. EC assistance and other payments to farmers and farm families, including EC Relief Payments, EC Interest Rate Subsidies and Interim Income Support, will continue unchanged.

Current drought programs include:

- EC relief payments (or income support), which help with everyday living expenses and are paid fortnightly at the same rate as the Newstart Allowance
- EC interest rate subsidies of up to \$100 000 a year, which help maintain the long-term viability of a farm enterprise or small business by helping them survive an exceptional event

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC13 (continued)

- Rural Support Services—mobile drought buses, Rural Service Officers and enhanced Centrelink outreach services for drought-affected communities in the Murray–Darling Basin
- Mental Health Support for Drought-Affected Communities—includes training for clinicians and community leaders and crisis counselling for drought affected communities
- Drought Assistance for Schools—one-off, additional funding of up to \$10 000 for government and non-government schools in EC-declared areas
- Family Support Drought Response Teams Initiative—provides whole-of-family relationship services for farm families in rural areas
- Re-establishment Assistance—an exit grant of up to \$150 000 for farmers who decide to leave the land
- Professional Advice and Planning Grants—up to \$5500 to enable eligible farmers to access professional business and financial advice and planning assistance
- Assistance to Isolated Children—provides help to families with children who cannot attend an appropriate state school because of geographical isolation.

The Australian Government has also extended the Transitional Income Support program, which helps producers in non-EC areas who are experiencing hardship.

2. The Government is giving careful consideration to all the issues and options raised through the investigations of the climatic, economic and social aspects of drought and drought support in Australia by, respectively the Bureau of Meteorology and CSIRO, the Productivity Commission and an expert social panel. The Government is continuing to work on finalising proposed reforms to the drought support system. It is anticipated that the Australian Government's reforms will be finalised later in the year.

3. As indicated in the response to 'CC14.2', details of the Australian Government's reforms are yet to be finalised.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC14

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Does the Government agree with the Productivity Commission that; *'The EC declarations ... should not be-extended to new areas. Current declarations should lapse as soon as practicable.'*?

**Answer:**

The Government will consider a new drought policy later this year. This policy will be the Government's response to the Productivity Commission's report.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC15

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

If the Government does not agree with the Productivity Commission why has it ceased all drought funding from 2010?

**Answer:**

Please refer to answers to questions CC13.1 and CC14.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC16

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Isn't it a fact that some of the Productivity Commission's report is absolute rubbish and many of the scenarios painted in the report have been made up by the Productivity Commission to justify its attack on the integrity of Australian farmers and the slashing of crucial drought support programs?

**Answer:**

Please refer to answer to question CC14.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC17

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Does the Government agree with the Productivity Commission recommendation that; *The objectives of the Australia's Farming Future initiative should be revised and extended to the following: assist primary producers to adapt and adjust to the impacts of climate variability and climate change; encourage primary producers to adopt self-reliant approaches to managing risks; and assist primary producers to manage greenhouse gas emissions and other adverse impacts on the environment.*'?

**Answer:**

Please refer to answer to question CC14.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC18

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Can the Department explain in practical terms what measures the Productivity Commission is talking about for each of these recommendations? Please provide examples of a practical initiative for each of these recommendations.

**Answer:**

Please refer to answer to question CC14.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC19

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Does the Government agree with recommendation 8.1 which states; *Significant public funding should be directed to research, development and extension to assist farmers prepare for, manage, and recover from the impacts of climate variability and change.*?

**Answer:**

Please refer to answer to question CC14.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC20

**Division/Agency:** Climate Change

**Topic:** Assistance to farmers for climate change

**Hansard Page:** Written

**Senator Nash asked:** What research, development and extension to assist farmers prepare for, manage and recover from the impacts of climate variability and change is currently being undertaken by the Department?

**Answer:**

The Department of Agriculture Fisheries and Forestry has established the Climate Change Research Program (CCRP). The CCRP aims to equip primary producers with the knowledge, tools and strategies to meet the challenges of climate change through funding targeted research and demonstration. The research findings will be transferred to the farm through planned workshops, peak bodies, catchment management authorities, farmer groups and farmer networks. The research will go beyond good farming and business as usual and focus on climate change specific options.

The Climate Change Research Program focuses on priority areas:

- better soil management (\$9.6 million)
- reducing greenhouse gas emissions (\$16.0 million)
- the Adaptation Research Program (\$11.0 million)
- Biochar Research Project (\$1.4 million)

Under Australia's Farming Future the government is also implementing:

- FarmReady to help industry and primary producers develop skills and strategies to help them deal with the impacts of climate change (\$26.5 million)
- Community Networks and Capacity Building to increase the leadership and representative capacity of target groups including women, youth, Indigenous Australians and people from culturally and linguistically diverse backgrounds.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC21

**Division/Agency:** Climate Change

**Topic:** Preparing for climate change

**Hansard Page:** Written

**Senator Nash asked:**

Provide specific examples of how a farmer can prepare for, manage and recover from the impacts of climate variability and change?

**Answer:**

Preparing, managing and recovering from the impacts of climate variability and change will depend on land users specific location and commercial circumstances. There is no single or simple way to prepare for and adapt to climate change.

Examples of adaptation measures which are already widely adopted by producers to manage risk include:

- zero tillage and other minimum disturbance techniques, such as stubble retention and controlled traffic approaches
- use of drought tolerant crop varieties
- water use efficient technologies and techniques
- improved breeding and management of animal heat stress, particularly where livestock are handled intensively
- diversifying production systems and income sources
- increased fodder inventories and planning, and improved water supply planning.

Australia's Farming Future has established the Adaptation Research Program (\$37.6 million from the Climate Change Research Program, industry and research bodies) that will:

- reduce the vulnerability of crops by researching genetic traits suited to hotter, drier, elevated carbon dioxide environments, and identify management strategies that minimise the risks to production
- help growers manage grapes grown under more stressful dry and hot conditions while maintaining quality
- identify the most effective livestock management practices for adapting to climate change in northern and southern Australia by evaluating the effects on production and profitability
- enable producers to make strategic decisions related to managing heat stress, particularly in dairy herds by improving heat stress information
- facilitate the preparation and adaptation of Australia's south eastern fisheries by examining the biophysical, social and economic implications of climate change

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC21 (continued)

- research issues for farmers considering relocating to other regions to adapt to climate change and identify key drivers for change, emerging opportunities and options to improve practices and farm business strategies.

The Australia's Farming Future FarmReady program provides training opportunities for primary producers, and will enable industry, farming groups and natural resource management groups to help their members develop strategies to adapt and respond to the impacts of climate change.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC22

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances

**Hansard Page:** Written

**Senator Nash asked:**

“How many regions are currently receiving exceptional circumstances drought funding? What percentage of Australia’s agriculture country is this?”

**Answer:**

As of 16 June 2009 there were 46 exceptional circumstances declared areas, covering 32.1 per cent of agricultural land. There were also two prima facie declared areas covering 0.1 per cent of agricultural land.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC23

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances

**Hansard Page:** Written

**Senator Nash asked:**

Please provide an electorate by electorate breakdown of EC areas and the time these areas have been EC declared

**Answer:**

State	Exceptional Circumstances (EC) Areas as of 16 June 2009	Duration in EC as of 16 June 2009		Electoralates (or part thereof) included in EC area*
		Years	Months	
NSW	Braidwood	5	8	Eden-Monaro Hume
	Condobolin	5	7	Calare
	Condobolin-Narrandera	6	4	Calare Riverina
	Cooma-Bombala-Act	4	9	Eden-Monaro Canberra Fraser
	Dubbo Revised (Dubbo revised was part of Dubbo EC area)	0 (5)	3 (5)	Calare Parkes
	Forbes	5	10	Calare Hume Riverina
	Goulburn-Yass	5	7	Eden-Monaro Hume
	Gundagai	5	7	Eden-Monaro Hume Riverina
	Hay	6	4	Calare Farrer Riverina
	Hume	5	9	Eden-Monaro Farrer Riverina

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

State	Exceptional Circumstances (EC) Areas as of 16 June 2009	Duration in EC as of 16 June 2009		Electoralates (or part thereof) included in EC area*
		Years	Months	
NSW (cont.)	Majority Western Division	6	3	Calare Farrer Riverina
	Molong Revised (Molong Revised was part of Molong EC area)	0 (5)	3 (5)	Calare
	Nyngan Revised (Nyngan Revised was part of Nyngan EC area)	0 (6)	3 (1)	Calare
	Riverina	6	2	Farrer Riverina
	Southwest Slopes And Plains	6	0	Farrer Riverina
	Young	6	0	Calare Hume Riverina
Queensland	Central Darling Downs Revised (Central Darling Downs Revised was part of Central Darling Downs EC area)	0 (5)	1 (8)	Maranoa
	Far West Queensland	2	2	Flynn Kennedy Maranoa
	Northern Darling Downs Revised (Northern Darling Downs Revised was part of Northern Darling Downs EC area)	0 (5)	1 (8)	Flynn Maranoa
	South West Queensland Revised (South West Queensland Revised was part of South West Queensland EC area)	0 (6)	1 (4)	Flynn Maranoa
	Western Downs – Maranoa Revised (Western Downs – Maranoa Revised was part of Western Downs – Maranoa EC area)	0 (6)	1 (1)	Flynn Maranoa
South Australia	Central Eyre Peninsula	2	2	Grey
	Central And Eastern Mt Lofty Ranges	1	8	Barker Mayo
	Central North East including Annex	6	4	Barker Grey
	Clare, Light and Barossa	1	8	Barker Mayo Wakefield
	Fleurieu Peninsula	2	2	Kingston Mayo
	Kangaroo Island	1	7	Mayo
	Lower Eyre Peninsula	2	2	Grey



**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

State	Exceptional Circumstances (EC) Areas as of 16 June 2009	Duration in EC as of 16 June 2009		Electoralates (or part thereof) included in EC area*
		Years	Months	
<b>South Australia (cont.)</b>	Mid-North	1	8	Barker Grey Wakefield
	Murray Mallee	2	2	Barker
	North West Rangelands	1	10	Grey
	River Murray and Lower Lakes	2	2	Barker Grey Mayo
	Upper North District (Including Annex)	4	4	Grey
	Upper South East	2	2	Barker
	Western Eyre Peninsula	2	2	Grey
	Yorke Peninsula	1	8	Grey
<b>Victoria</b>	Central and East Gippsland Revised (Central and East Gippsland Revised was part of Central and East Gippsland EC area)	0 (4)	8 (9)	Gippsland Indi McMillan
	Central Victoria North Revised (Central Victoria North Revised was part of Central Victoria EC area)	0 (5)	5 (5)	Bendigo Mallee McEwen Murray
	Central Victoria South Revised (Central Victoria South Revised was part of Central Victoria EC area)	0 (5)	5 (5)	Ballarat Bendigo Calwell Corangamite Corio Gellibrand Gorton Lalor McEwen Scullin
	Mallee – Northern Wimmera	3	3	Mallee Murray Wannon
	North East Victoria	6	1	Bendigo Gippsland Indi McEwen Murray
	Northern Victoria Revised (Northern Victoria Revised was part of Northern Victoria)	0 (5)	5 (1)	Indi Mallee Murray

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

State	Exceptional Circumstances (EC) Areas as of 16 June 2009	Duration in EC as of 16 June 2009		Electoralates (or part thereof) included in EC area*
		Years	Months	
Victoria (cont.)	South and West Gippsland	1	7	Aston Batman Bruce Calwell Casey Chisholm Deakin Dunkley Flinders Gellibrand Gippsland Goldstein Gorton Higgins Holt Hotham Isaacs Jagajaga Kooyong La Trobe Lalor Maribyrnong McEwen McMillan Melbourne
	South Western Victoria	2	3	Ballarat Corangamite Mallee Wannon
Tasmania	Central Midlands	1	8	Lyons
	Flinders Island (Flinders Island was part of North East and Flinders Island)	0 (1)	3 (6)	Bass

\*Electoralates that cover less than 10 hectares of the EC area have been excluded.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC24

**Division/Agency:** Climate Change

**Topic:** EC savings

**Hansard Page:** Written

**Senator Nash asked:**

What will be the estimated savings as a result of cancelling drought EC areas as announced in the Minister Media Release of 12th February, 2009?

**Answer:**

Expenditure on Exceptional Circumstances programs is demand driven. Therefore there are no 'savings' when an Exceptional Circumstances declaration expires.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC25

**Division/Agency:** Climate Change

**Topic:** ECIRS

**Hansard Page:** Written

**Senator Nash asked:**

What is the average interest rate paid on which EC Interest Rate subsidies have been paid?

**Answer:**

The Department of Agriculture, Fisheries and Forestry does not have data on the average interest rate of farm business loans, on which Exceptional Circumstances (EC) Interest Rate Subsidies have been paid.

Average EC interest rate payment data could be sourced directly from lending institutions.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC26

**Division/Agency:** Climate Change

**Topic:** ECIRS

**Hansard Page:** Written

**Senator Nash asked:**

How many farmers have already reached the EC Interest Rate cap for eligible farmers?

**Answer:**

As at 30 April 2009, fifty-eight farm businesses had already received the maximum cumulative support of \$500 000.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC27

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances

**Hansard Page:** Written

**Senator Nash asked:**

Is the Government reviewing any regions which have been not been extended beyond April 2009?

**Answer:**

Yes. The Northern Territory government submitted a request to the Minister for Agriculture, Fisheries and Forestry on 12 June 2009 for the continuation of Exceptional Circumstances assistance to a revised and reduced area of South East Alice Springs.

All other reviews and appeals have been completed.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC28

**Division/Agency:** Climate Change

**Topic:** EC Support

**Hansard Page:** Written

**Senator Nash asked:**

How many farmers are currently receiving Exceptional Circumstances (EC) assistance? Please provide a region by region breakdown of how many farmers and the dollar amount are receiving the EC Interest Rate Subsidy and or the EC Household Support for the following years 2008/09 and estimated for 2009 -10.

**Answer:**

As at 30 April 2009, there were 13,560 approved applications for Exceptional Circumstances (EC) Interest Rate Subsidy with \$429.29 million provided in direct assistance. See breakdown in **Table A**.

As at 30 April 2009, there were 17,919 current recipients of EC Income Support with \$293.13 million provided in direct assistance. See breakdown in **Table B**.

For the financial year 2009-10, the government has committed \$226.95 million for EC Interest Rate Subsidies and \$202.58 million for EC Income Support. However an estimate of expenditure by EC area is not available.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

**Table A - EC Interest Rate Subsidies as at 30 April 2009**

<b>State</b>	<b>EC Area</b>	<b>Approved applications 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>
<b>NSW</b>	Armidale	91	2.17
	Bourke (revised)	28	1.14
	Bourke and Brewarrina	16	0.65
	Braidwood	29	0.65
	Casino	29	0.68
	Central Mudgee-Merriwa	7	0.37
	Central North-North West	390	14.41
	Central North-North West Coonabarabran (revised)	80	1.83
	Central North-North West Northern Slopes (revised)	140	4.09
	Central Tablelands	204	5.75
	Condobolin	110	3.18
	Condobolin - Narrandera	432	12.61
	Cooma-Bombala-ACT	96	2.00
	Dubbo	484	11.81
	Forbes	430	11.78
	Goulburn-Yass	211	5.12
	Grafton-Kempsey	0	0.00
	Gundagai	63	2.06
	Hay	140	5.41
	Hume	61	1.91
	Hunter-Maitland	37	1.07
	Majority Western Division	386	11.26
	Molong	227	6.14
	Mudgee-Merriwa	119	2.72
	North East Northern New England	0	0.00
	Northern New England	238	4.87
	Northern Tablelands Small Areas	0	0.00
	Nyngan	139	4.54
	Riverina	1,166	35.59
	South Coast-Moss Vale	32	1.25
	South West Slopes and Plains	1,308	38.84
	Walgett-Coonamble	333	9.92
	Young	281	8.65
<b>NSW Total</b>		<b>7,307</b>	<b>212.45</b>
<b>State</b>	<b>EC Area</b>	<b>Approved applications 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>
<b>NT</b>	South East Alice Springs	6	0.57



**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

<b>NT Total</b>		<b>6</b>	<b>0.57</b>
<b>QLD</b>	Atherton Tablelands	0	0.00
	Burnett	495	13.67
	Burnett addendum	83	2.47
	Central Coast	45	2.24
	Central Darling Downs	157	6.58
	Central Mid West	37	1.81
	Duaringa-Bauhinia	10	0.50
	Eastern Darling Downs	0	0.00
	Emerald-Bauhinia	12	0.68
	Far West Queensland	36	1.42
	Hinchinbrook-Thuringowa	4	0.03
	Mackay-Whitsunday	33	0.55
	North West Ashy Downs	19	1.30
	Northern Darling Downs	162	5.56
	Peak Downs	18	0.69
	Southern Darling Downs	44	1.04
	Southern Murweh	14	0.72
	Southern South East	15	0.49
	Southern South East (revised - Lockyer Valley)	34	1.00
	South-West QLD	146	3.69
	Stanthorpe-Inglewood	37	1.20
	Sunshine Coast	20	0.31
	Waggamba	16	0.54
	Western Downs-Maranoa	462	22.04
<b>QLD Total</b>		<b>1,899</b>	<b>68.52</b>
<b>SA</b>	Central and Eastern Mount Lofty Ranges	3	0.09
	Central Eyre Peninsula	221	10.56
	Central North East	43	1.70
	Clare Light and Barossa	28	0.98
	Fleurieu Peninsula	9	0.50
	Kangaroo Island	42	1.29
	Lower Eyre Peninsula	65	2.71
	Lower South East	33	1.45
	Mid-North	175	6.93
	Murray River Corridor and Lower Lakes	310	9.70
<b>State</b>	<b>EC Area</b>	<b>Approved applications 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>
	Murray-Mallee	160	6.33
	North West Rangelands	2	0.13
	Upper North District including Annex	102	3.15
	Upper South East	163	8.04
	Western Eyre Peninsula	60	2.14
	Yorke Peninsula	42	1.48

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

<b>SA Total</b>		<b>1,458</b>	<b>57.18</b>
<b>TAS</b>	Central Midlands	117	2.96
	North East and Flinders Island	33	0.69
	Southern Midlands	0	0.00
<b>TAS Total</b>		<b>150</b>	<b>3.66</b>
<b>VIC</b>	Central and East Gippsland	75	2.44
	Central and East Gippsland Revised	71	1.51
	Central Victoria	76	2.17
	Central Victoria North Revised	456	14.55
	Central Victoria South Revised	31	0.83
	Eastern Mallee	33	1.12
	Goulburn-Loddon-Campaspe	152	5.59
	Mallee - Northern Wimmera Revised	368	10.93
	Mallee-Northern Wimmera	296	10.59
	Murray	125	4.75
	North East Victoria	193	4.63
	Northern Victoria	63	1.73
	Northern Victoria Revised	120	2.63
	South and West Gippsland	149	3.50
	South Western Victoria	257	9.18
	South-East Mallee	22	0.74
<b>VIC Total</b>		<b>2,487</b>	<b>76.90</b>
<b>WA</b>	Central North Eastern, Central Eastern, Central South Eastern Wheat belt	0	0.00
	North Eastern Wheatbelt	117	3.76
	Northern Wheat Belt	0	0.00
	Northern Wheatbelt and Northern Areas of the Eastern Wheatbelt	118	5.80
	South Eastern Wheatbelt	0	0.00
	Southern Rangelands	18	0.45
<b>WA Total</b>		<b>253</b>	<b>10.01</b>
<b>Grand Total</b>		<b>13,560</b>	<b>429.29</b>

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

**Table B - EC Income Support as at 30 April 2009**

<b>State</b>	<b>EC Area</b>	<b>Current recipients 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>
<b>NSW</b>	Armidale	0	0.66
	Bourke (revised)	44	0.70
	Bourke and Brewarrina	0	0.00
	Braidwood	29	0.44
	Casino	0	0.73
	Central Mudgee-Merriwa	0	0.15
	Central North-North West	0	2.49
	Central North-North West Coonabarabran (revised)	1	1.23
	Central North-North West Coonamble Revised	0	0.11
	Central North-North West Northern New England revised	65	0.98
	Central North-North West Northern Slopes (revised)	2	2.52
	Central Tablelands	0	3.29
	Condobolin	65	0.89
	Condobolin - Narrandera	599	9.60
	Cooma-Bombala-ACT	94	1.23
	Dubbo	89	5.81
	Forbes	477	8.04
	Goulburn-Yass	256	3.76
	Grafton-Kempsey	0	0.00
	Gundagai	80	1.18
	Hay	121	1.94
	Hume	69	1.04
	Hunter-Maitland	0	1.40
	Majority Western Division	471	7.17
	Molong	60	3.25
	Mudgee-Merriwa	0	1.76
	New South Wales Interim Support Area	0	0.56
	North East Northern New England	0	0.09
	North East Northern New England revised	0	0.14
	Northern New England	0	1.49
	Northern Tablelands Small Areas	68	1.27
	Nyngan	98	2.23
	Riverina	1,039	15.46
<b>State</b>	<b>EC Area</b>	<b>Current recipients 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

	South Coast-Moss Vale	0	0.52
	South West Slopes and Plains	1,269	19.04
	Walgett-Coonamble	0	3.98
	Young	267	4.02
<b>NSW Total</b>		<b>5,263</b>	<b>109.18</b>
<b>QLD</b>	Atherton Tablelands	0	0.00
	Burnett	881	13.33
	Burnett addendum	0	0.01
	Burnett addendum (revised)	56	0.88
	Central Coast	0	0.00
	Central Darling Downs	279	4.39
	Central Mid West	0	0.00
	Duarlinga-Bauhinia	6	0.12
	Eastern Darling Downs		0.00
	Emerald-Bauhinia	0	0.00
	Far West Queensland	15	0.23
	Hinchinbrook-Thuringowa	0	0.00
	Mackay-Whitsunday	0	0.00
	North West Ashy Downs	7	0.13
	North West Ashy Downs (second revision)		0.00
	Northern Darling Downs	319	4.78
	Peak Downs	0	0.00
	Southern Darling Downs	0	0.00
	Southern Murweh	0	0.00
	Southern South East	125	1.79
	Southern South East (revised - Lockyer Valley)		0.00
	South-West QLD	144	2.20
	Stanthorpe-Inglewood	0	0.00
	Sunshine Coast	0	0.00
	Waggamba	19	0.33
	Western Downs-Maranoa	538	8.78
<b>QLD Total</b>		<b>2,389</b>	<b>36.95</b>
<b>SA</b>	Central and Eastern Mount Lofty Ranges	12	0.18
	Central Eyre Peninsula	324	4.88
	Central North East	92	1.25
	Clare Light and Barossa	70	0.91
<b>State</b>	<b>EC Area</b>	<b>Current recipients 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>
	Fleurieu Peninsula	53	0.76
	Kangaroo Island	60	0.82
	Lower Eyre Peninsula	141	2.23
	Lower South East	0	0.59
	Mid-North	263	3.57

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

	Murray River Corridor and Lower Lakes	501	6.71
	Murray-Mallee	252	3.42
	North West Rangelands	4	0.09
	South Australia Interim Support Area	0	0.02
	Southern Mallee No 1	0	0.00
	Upper North District including Annex	120	1.65
	Upper South East	254	3.52
	Western Eyre Peninsula	105	1.54
	Yorke Peninsula	93	1.20
<b>SA Total</b>		<b>2,344</b>	<b>33.36</b>
<b>TAS</b>	Central Midlands	198	2.90
	North East and Flinders Island	17	0.37
	Southern Midlands		0.00
	Tasmanian Interim Support Areas	0	0.49
<b>TAS Total</b>		<b>215</b>	<b>3.76</b>
<b>VIC</b>	Central and East Gippsland	0	0.46
	Central and East Gippsland Revised	458	6.01
	Central Victoria	0	0.13
	Central Victoria North Revised	554	7.60
	Central Victoria South Revised	231	3.01
	Eastern Mallee	0	0.03
	Goulburn-Loddon-Campaspe	0	0.22
	Mallee - Northern Wimmera Revised	1,737	23.21
	Mallee-Northern Wimmera	0	0.21
	Murray	0	0.14
	North East Victoria	889	12.09
	Northern Victoria	0	0.07
	Northern Victoria Revised	1,939	28.47
	South and West Gippsland	502	6.38
	South Western Victoria	1,346	17.84
	South-East Mallee	0	0.01
	Southern Central East	0	0.00
	Wimmera Region	0	0.00
	Latrobe and Macalister	47	0.13
<b>State</b>	<b>EC Area</b>	<b>Current recipients 2008-2009 as at 30 April 2009</b>	<b>Expenditure 2008-2009 as at 30 April 2009 (\$M)</b>
<b>VIC Total</b>		<b>7,703</b>	<b>106.02</b>
<b>WA</b>	Central Agricultural Region Interim Support Area	0	0.07
	Central North Eastern, Central Eastern, Central South Eastern Wheat belt	0	0.00
	North Eastern Wheatbelt	0	0.86
	Northern Agricultural Region Interim Support Area	0	0.00
	Northern Pastoral Region Interim Support Area	0	0.01

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

	Northern Wheat Belt		0.00
	Northern Wheatbelt and Northern Areas of the Eastern Wheatbelt	0	2.30
	South Eastern Wheatbelt	0	0.00
	Southern Agricultural Region Interim Support Area	0	0.06
	Southern Pastoral Region Interim Support Area	0	0.04
	Southern Rangelands	5	0.48
	Southwest Agricultural Region Interim Assistance Area	0	0.05
<b>WA Total</b>		<b>5</b>	<b>3.86</b>
<b>Grand Total</b>		<b>17,919</b>	<b>293.13</b>

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC29

**Division/Agency:** Climate Change

**Topic:** Transitional Income Support

**Hansard Page:** Written

**Senator Nash asked:**

What transitional support is available for farmers who have been taken out of EC areas?

**Answer:**

The Transitional Income Support (TIS) program, available from 16 June 2008 to 30 June 2010, provides short-term income support to farmers in serious financial difficulty or who are recovering from drought, while they adapt their farm to changing circumstances, including climate change. The TIS program allows eligible farmers to receive a maximum of 12 months income support at the Centrelink Newstart Allowance rate and provides access to professional advice and training under the Climate Change Adjustment Program.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC30

**Division/Agency:** Climate Change

**Topic:** Transitional Income Support

**Hansard Page:** Written

**Senator Nash asked:**

What are the criteria used to access any transitional support?

**Answer:**

To be eligible for the Transitional Income Support (TIS), a person must

- for a continuous period of at least 2 years immediately before applying
  - have been a farmer in Australia
  - have derived a significant amount of his or her gross income from the farm enterprise
  - have contributed a significant amount of his or her capital to the farm enterprise
  - have contributed a significant amount of his or her labour to the farm enterprise;
- meet the income test as per Newstart Allowance with allowable income of \$62 a fortnight before payment amount tapers;
- meet the maximum net asset cap of \$1.5 million (on and off farm assets and debt included);
- meet an off-farm asset test relevant to Newstart Allowance;
- meet a liquid asset sub-cap of \$20,000 (inclusive of bank balances and Farm Management Deposits).

Farmers do not need to be in an Exceptional Circumstances declared area, or have received Exceptional Circumstances Relief Payments or other income support, to be eligible for TIS.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC31

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

How many exceptional circumstances exit grants have been paid in the past 12 months, how many are outstanding or waiting to be approved? Please provide an electorate by electorate breakdown of successful applicants and the amount of each exit grant in that electorate.

**Answer:**

From 1 June 2008 to 29 May 2009, 128 Exceptional Circumstances Exit Grants were paid.

In addition, from 25 September 2007 to 29 May 2009, 158 farmers have been pre-approved for the grant pending the sale of their farm and 117 claims are being processed by Centrelink.

<b>Electorate</b>	<b>Grants Paid</b>	<b>Total Paid</b>
Ballarat	1	\$150,000
Barker	12	\$1,748,732
Bass	1	\$150,000
Bendigo	3	\$338,196
Brand	1	\$150,000
Calare	5	\$569,741
Calwell	1	\$150,000
Capricornia	1	\$57,712
Dunkley	1	\$126,287
Eden-Monaro	1	\$150,000
Farrer	11	\$1,650,000
Flinders	1	\$31,337
Fowler	1	\$71,854
Gippsland	2	\$300,000

<b>Electorate</b>	<b>Grants Paid</b>	<b>Total Paid</b>
Grey	3	\$450,000
Griffith	1	\$150,000
Gwydir	2	\$300,000
Hindmarsh	1	\$125,170
Hume	2	\$300,000
Indi	5	\$714,022
Kalgoorlie	1	\$150,000
Lalor	3	\$332,952
Longman	1	\$150,000
Lyne	2	\$300,000
Lyons	1	\$150,000
Macquarie	2	\$300,000
Mallee	20	\$2,442,059
Maranoa	3	\$306,044

<b>Electorate</b>	<b>Grants Paid</b>	<b>Total Paid</b>
Mcewen	4	\$432,979
Mcmillan	3	\$262,616
Murray	12	\$1,787,374
New England	1	\$150,000
Oxley	1	\$103,141
Parkes	2	\$269,663
Paterson	1	\$150,000
Riverina	9	\$1,321,516
Wakefield	4	\$454,091
Wannon	2	\$300,000
<b>TOTAL</b>	<b>128</b>	<b>\$17,045,486</b>

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC32

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

How many applications were made for the exit grants? Please provide an electorate by electorate break down.

**Answer:**

From 25 September 2007 to 29 May 2009 Centrelink has received 619 applications from the following electorates for the Exceptional Circumstances Exit Grants:

<b>Electorate</b>	<b>Total</b>	<b>Electorate</b>	<b>Total</b>	<b>Electorate</b>	<b>Total</b>	<b>Electorate</b>	<b>Total</b>
Ballarat	3	Fisher	1	Kennedy	2	O'connor	9
Barker	45	Flinders	3	Kingston	1	Oxley	1
Bass	1	Flynn	3	Lalor	6	Page	7
Bendigo	32	Fowler	3	Lilley	1	Parkes	33
Blair	2	Gellibrand	2	Lindsay	6	Paterson	4
Brand	1	Gilmore	2	Longman	1	Richmond	1
Bruce	1	Gippsland	8	Lyne	4	Riverina	31
Calare	25	Greenway	1	Lyons	1	Scullin	1
Calwell	6	Grey	32	Macarthur	1	Solomon	1
Capricornia	1	Griffith	1	Macquarie	4	Sturt	1
Chisholm	1	Groom	2	Mallee	81	Wakefield	15
Corangamite	1	Gwydir	16	Maranoa	25	Wannon	4
Corio	2	Higgins	1	Mayo	9	Warringah	1
Dawson	2	Hindmarsh	1	Mcewen	18	Wide Bay	4
Dickson	1	Hinkler	2	Mcmillan	8	Wills	1
Dunkley	2	Holt	2	Menzies	1	<b>Grand Total</b>	<b>619</b>
Eden-Monaro	5	Hume	9	Moreton	1		
Fairfax	1	Indi	17	Murray	48		
Farrer	31	Kalgoorlie	7	New England	11		

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC33

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

Why were these exit grants unsuccessful?

**Answer:**

From 25 September 2007 to 29 May 2009 there have been 305 unsuccessful applications. Around a third of applications (35.46 per cent) were unsuccessful because the applicant failed to provide all the necessary information. A further 17 per cent were unsuccessful because the applicant had not owned their current farm for at least five years.

Other reasons for unsuccessful applications were:

- No derived income from farm
- Farm assets too high
- Customer not in control of farm
- Other qualifications not met\*
- Not contributed labour and capital
- Sold farm before 25 September 2007
- Client request

\* The '*Other qualifications not met*' category is selected where an application is deemed unsuccessful for multiple reasons. The '*Other qualifications not met*' category accounts for around five per cent of all unsuccessful applications.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC34

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written (25/05/2009)

**Senator Nash asked:**

Does the Government consider this grant program to have been a success?

**Answer:**

The Exceptional Circumstances Exit Grant, announced by the former government on 25 September 2007, has assisted more than 150 farmers in their transition to life away from farming, whilst also allowing farmland to be freed up for sale to other farmers. As at 29 May 2009, a further 158 farmers have been approved for the grant, pending the sale of their farm.

The program was due to end on 30 June 2009, but, as announced on Budget night, has been extended for 12 months with applications now closing on 30 June 2010. All elements of the program, including available assistance and eligibility criteria, remain as they were at its commencement on 25 September 2007.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC35

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

Will the Government change the criteria for the exit grants to allow more people to be eligible?

**Answer:**

No.

The program is appropriately targeted at low income and low asset farmers who have been Exceptional Circumstances (EC) declared, and who are experiencing severe financial difficulty. The grant is intended as an incentive to farmers to sell the farm before their assets become further eroded. It is not intended as compensation for every farmer who sells their farm.

The EC Exit Grant is designed to support drought-affected farm owners who have a significant long-term financial and personal investment in the land. It is therefore limited to farmers who have owned their farm for longer than five years.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC36

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

Are applicants who have been unsuccessful for the exit grants informed of the reasons their applications has not been approved? If not, why not?

**Answer:**

Yes.

All unsuccessful applicants are informed by a letter from Centrelink which includes an explanation of why the application was unsuccessful.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC37

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

How many applicants for the exit grant who have been refused have appealed the decision? How many appeals avenues are available to them?

**Answer:**

From 25 September 2007 to 29 May 2009, 87 applicants have been refused following the sale of the farm and 218 applicants have been refused prior to the sale of the farm.

Of the 87 applicants refused after the sale of the farm, 25 applicants appealed the decision to the Original Decision Maker at Centrelink, and 18 applicants took their appeal to the Centrelink National Support Office (three of these have been set aside seeking further information).

The program guidelines provide for three Centrelink review processes:

- If a person's claim is rejected and a notice is given advising them of the decision, the person has three months after the notice to request a review of the decision by the original decision maker at Centrelink.
- If the person is still dissatisfied with the decision, a further review can be requested through an authorised officer.
- If the person is still dissatisfied with the decision, a further review can be requested through a member of the Centrelink Rural Programs team in National Support Office. During this review, consultation with the Department of Agriculture, Fisheries and Forestry will occur in all cases where a policy matter is in question.

If an applicant thinks they have been unfairly treated by Centrelink's process in assessing the application, the applicant can complain to the Commonwealth Ombudsman. However, it should be noted that the Ombudsman, strictly speaking, does not deal with 'appeals'. The role of the Ombudsman is to investigate complaints about the administrative actions of Australian Government departments and agencies and make recommendations for their resolution.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC38

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grants

**Hansard Page:** Written

**Senator Nash asked:**

Have any of the rejected applicants taken their appeal to the Ombudsman?

**Answer:**

Yes.



Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

**Question:** CC39

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances Exit Grant

**Hansard Page:** Written

**Senator Nash asked:**

What were the grounds of their appeals? Were any of them successful?

**Answer:**

The Ombudsman is not part of the court system so does not strictly speaking deal with 'appeals'. The Ombudsman investigates complaints with a view to achieving a remedy for the complainant and improving public administration generally. If the Ombudsman considers it appropriate to do so, he may make recommendation to an agency in regard to a particular complaint or series of complaints, but has no power to overturn or vary an agency's decision.

1. In 2007-08 there were **three category 1 & 2** complaints and **two category 3 & 4** complaints relating to the Exceptional Circumstance Exit Grant Program.
2. To date in 2008-09, there have been **four category 1 & 2** complaints, **five category 3 & 4** complaints and **one category 5** complaint.
3. The above statistics differ to those provided to the Senate Committee in March 2009, which were based on advice from the Ombudsman's Office at that time. The Ombudsman's Office has now advised that the previous figures inadvertently included repeat approaches leading to double-counting in some instances.
4. The Ombudsman reports that all complaints concerned ineligibility. In one case, the Ombudsman made a record of administrative deficiency in relation to Centrelink's actions in administering the request for the grant.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC39 (continued)

<b>Explanations of terms</b>	
Category 1	Resolved without investigation or contacting the agency. Outcomes include: complaint out of the Ombudsman's jurisdiction, decision not to investigate, and referral of the complainant to the appropriate agency or authority.
Category 2	Cannot be resolved at category 1 as requires further internal enquires/research or more information from the complainant. Resolved without contacting the agency.
Category 3	Investigation conducted and agency contacted.
Category 4	Further investigation conducted as the complaint was not able to be resolved in category 3.
Category 5	Complaints are escalated to category 5 when the Ombudsman proposes issuing a formal report under section 15 of the <i>Ombudsman Act 1976</i> . Reports may be published.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC40

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances

**Hansard Page:** Written

**Senator Nash asked:**

Have any of the State Governments written to the Government asking for any regions which were removed or are to be removed from EC in the past twelve months to be either reviewed or made applications for the region to be returned to EC status? Which State Governments have made requests and for what regions? What were the grounds for their appeals? Were any of them successful?

**Answer:**

<b>Requesting State</b>	<b>Date of Request</b>	<b>Area (s)</b>	<b>Reason for Review Request</b>	<b>Request Success and Outcome</b>
Victoria	15 September 2008	Central and East Gippsland.	The degree to which recovery from drought had occurred was highly variable across the area. Below average rainfall was recorded in 2008.	Yes. An extension of assistance was granted on 1 October 2008 for the Central and East Gippsland Revised area.
NSW	10 June 2008	Bourke and Brewarrina.	That producers in the Bourke area had not experienced the improvement in conditions that the Brewarrina area had.	Yes. An extension of assistance was granted for a revised area Bourke (formerly Bourke and Brewarrina) on 13 June 2008.
	30 September 2008	Parts of the former Central North North-West EC area. These areas were Coonabarabran, Northern Slopes and Tamworth/Armidale.	Seasonal conditions had not enabled recovery from drought.	Yes. An extension of assistance for was granted for revised areas including the Central North North-West Coonabarabran Revision and Central North North-West Northern Slopes Revision on 13 November 2008.  No. An extension of assistance was not granted for the Tamworth/Armidale areas. This was announced on 13 November 2008.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question: CC 40 (continued)**

<b>Requesting State</b>	<b>Date of Request</b>	<b>Area (s)</b>	<b>Reason for Review Request</b>	<b>Request Success and Outcome</b>
NSW	31 March 2009	<p>Part 1 – Continuation of EC assistance for at least 12 months.                      Central Tablelands – Division A of the former Central Tablelands Rural Lands Protection Board (RLPB);                      Dubbo – Division B and C of the former Dubbo RLPB;                      Molong – Division A and C of the former Molong RLPB.</p>	<p>That seasonal conditions had deteriorated since spring in 2008. These areas were still affected by ongoing dry conditions during autumn 2009.</p>	<p>No.                      The government accepted NRAC's advice not to extend assistance in these regions. This was announced on 21 May 2009. (Refer to Question 42)</p>
		<p>Part 2 – Continuation of EC assistance for 3 months at which time need for a further extension should be considered.                      Central Tablelands – the remaining parts of the current Central Tablelands EC area;                      Dubbo – Division A of the former Dubbo RLPB and the remaining parts of Division D where EC has not otherwise been extended;                      Molong – Division B of the former Molong RLPB;                      Mudgee-Merriwa – those parts south of the Golden Highway and west of the Bylong Valley Way and its extension as the Castlereagh Highway south from Ilford to Lithgow;                      Northern New England – all of the current EC area;                      Nyngan – those parts of the current Nyngan EC area which have not otherwise been extended.</p>	<p>Lack of rainfall during 2009 presented a risk of premature withdrawal of EC assistance.</p>	<p>No.                      The government accepted NRAC's advice not to extend assistance in these regions. This was announced on 21 May 2009. (Refer to Question 42)</p>

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question: CC 40 (continued)**

<b>Requesting State</b>	<b>Date of Request</b>	<b>Area (s)</b>	<b>Reason for Review Request</b>	<b>Request Success and Outcome</b>
NSW		Part 3 – application of buffer zone principles. Central Mudgee–Merriwa – all of the current EC area; Central North North West Coonamble Revision – all of the current EC area; Mudgee–Merriwa – those parts of the current EC areas north of the Golden Highway; Walgett–Coonamble – all of the current EC area.	Longevity of the drought and patchy nature of rainfall meant there was considerable disparity in conditions across the area.	No. The government accepted NRAC’s advice not to extend assistance in these regions. This was announced on 21 May 2009. (Refer to Question 42)
	30 April 2009	Bundarra district of the Central North–North-West Northern Slopes Revision area	Producers were still adversely affected by severe drought conditions. The district has not received the beneficial rainfall experienced by other areas during the recovery period.	No. The government accepted NRAC’s advice not to extend assistance in this region. This was announced on 21 May 2009. (Refer to Question 42)
Queensland	10 June 2008	North West Ashy Downs Revised, Burnett Addendum; Southern South East.	Conditions across the requested areas were highly variable.	Yes. The government accepted NRAC’s advice and extended EC assistance for revised boundaries. The revised areas were North West Ashy Downs Second Revision, Southern South East Revised (Lockyer Valley) and Burnett Addendum Revised. This was announced on 13 June 2008.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC41

**Division/Agency:** Climate Change

**Topic: Exceptional Circumstances**

**Hansard Page:** Written

**Senator Nash asked:**

Please give a detailed breakdown of all the reasons National Rural Advisory Council (NRAC) rejected extending drought EC declarations for the following regions; Central Mudgee-Merriwa; Central North-North West Coonamble Revision; Bundarra district of the Central North-North West Northern Slopes Revision area; Central Tablelands area; Dubbo area (excluding parts which were extended in February 2009); Molong area (excluding parts which were extended in February 2009); Mudgee-Merriwa area; Northern New England area; Nyngan area (excluding parts which were extended in February 2009); Walgett-Coonamble

**Answer:**

Area	National Rural Advisory Council recommendation
Central Mudgee-Merriwa Central North-North-West Coonamble Revision Bundarra district of the Central North-North West Northern Slopes Revision area Central Tablelands Dubbo (excluding parts which were extended in February 2009) Molong (excluding parts which were extended in February 2009) Mudgee-Merriwa Northern New England Nyngan (excluding parts which were extended in February 2009) Walgett-Coonamble	NRAC's initial advice on these areas concluded that seasonal conditions had improved and enabled the majority of producers to undertake typical farm management practices. It was however acknowledged that there was variability in conditions across some areas, and that assistance should be extended for revised areas of Dubbo, Molong, Nyngan and Northern Tablelands Small Areas.  The NSW government submitted separate request for a review of nine areas that expired on the 31 March 2009 and the Bundarra district of the Central North-North West Northern Slopes Revision that expired on 30 April 2009.  The government requested NRAC consider whether EC declarations in these areas should be reconsidered.  NRAC considered the request and concluded, that on the basis of all the information available, that their initial assessment and recommendations remained appropriate. NRAC reaffirmed its original decision for each area and did not recommend any further extension of EC assistance or revision of boundaries.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC42

**Division/Agency:** Climate Change

**Topic:** Exceptional Circumstances

**Hansard Page:** Written

**Senator Nash asked:**

Did NRAC visit any of these regions prior to rejecting continuing Drought EC declarations? When did these visits occur?

**Answer:**

All areas referred to in question 41 were inspected between October 2008 and February 2009.

National Rural Advisory Council considered no further inspections were necessary to assess the New South Wales appeals.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

**Question:** CC43

**Division/Agency:** Climate Change

**Topic:** Farm Management Deposits

**Hansard Page:** Written

**Senator Nash asked:**

How much money is currently held by farmers in FMDs?

**Answer:**

At 31 March 2009, 40 483 primary producers held a total of \$2.492 billion in the Farm Management Deposit Scheme (FMD). A breakdown of FMD holders by industry is provided below:

<b>Value of FMD Holdings and Number of Holders by Industry as at 31 March 2009</b>		
<b>Industry Description</b>	<b>Number of Holders</b>	<b>Value of Holdings (\$'000)</b>
Horticulture	4 914	342 132
Grain	5 996	364 694
Grain-sheep/beef	8 268	496 186
Sheep-Beef	2 999	153 697
Sheep	2 621	122 744
Beef	5 902	364 182
Dairy	4 050	213 014
Intensive Livestock	1 849	112 975
Pig	149	8 123
Sugar	1 375	76 217
Crops	1 924	107 128
Forestry & Fishing	2 264	131 014
<b>Industry Total</b>	<b>42 311</b>	<b>2 492 106</b>
<b>ADJUSTED TOTAL *</b>	<b>40 483</b>	

\* The total has been adjusted to remove double-counting of holders that have more than one account attributed to different industries.

Current statistics on FMD holdings are available on the department's website and are updated each quarter.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC44

**Division/Agency:** Climate Change

**Topic:** Drought Expenditure 2008-09

**Hansard Page:** Written

**Senator Nash asked:**

What is the reason for moving parts of the Drought support programs to Treasury?

**Answer:**

The Minister for Agriculture, Fisheries and Forestry and the department of Agriculture, Fisheries and Forestry maintain policy responsibility for the Exceptional Circumstances Interest Rate Subsidy (ECIRS) program. The Commonwealth and States/Territories jointly fund the ECIRS program. The Council of Australian Governments meeting of 29 November 2008 resulted in the implementation of a new federal financial relations framework. Under this new arrangement, the Commonwealth Treasury is responsible for making payments to the states and territories through a single monthly payment (from 1 January 2009). The states and territories administer the funding provided through the Treasury on behalf of the Department of Agriculture, Fisheries and Forestry.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC45

**Division/Agency:** Climate Change

**Topic:** Drought Expenditure 2008-09

**Hansard Page:** Written

**Senator Nash asked:**

Will the Department still be responsible for drought policy or has this been outsourced to Treasury?

**Answer:**

The Minister for Agriculture, Fisheries and Forestry and the Department of Agriculture, Fisheries and Forestry continue to maintain responsibility for drought policy.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC46

**Division/Agency:** Climate Change

**Topic:** Projected rates of tree planting under various emissions reduction targets and carbon prices

**Hansard Page:** Written

**Senator Nash asked:**

How many hectares of trees are estimated to be planted under the Government's Emissions Trading scheme?

**Answer:**

There are no 'estimates' of plantings under the Government's emissions trading scheme that have been made by government agencies but there have been some results from modelling processes using simple assumptions. The Treasury modelling report – *Australia's Low Pollution Future: The economics of climate change mitigation* outlines the projected establishment rate for new forests under five scenarios. The 'reference scenario' assumes current trends in economic activity continue with no mitigation action. Then there are four alternative scenarios, CPRS -5 (national emissions reduction target of 5 per cent below 2000 levels by 2020 and 60 per cent below by 2050), CPRS -15 (15 per cent below 2000 levels by 2020 and 60 per cent below by 2050), Garnaut -10 (10 per cent by 2020 and 80 per cent by 2050) and Garnaut -25 (25 per cent by 2020 and 90 per cent by 2050).

- the CPRS scenarios assume a staged global introduction of emissions trading starting in 2010
- the Garnaut scenarios assume united global action starting in 2013.

The modelling results in relation to land use change and forestry suggest that:

- Under CPRS -5 scenario (in which the carbon price begins at \$20.88/t CO<sub>2</sub> in 2010) the area of land that is economically suitable for plantation forestry or environmental plantings between 2007 and 2050 is estimated to be 5.8 million hectares.
- Under CPRS -15 scenario (in which the carbon price begins at \$29.10/t CO<sub>2</sub> in 2010) the area of land that is economically suitable for plantation forestry or environmental plantings between 2007 and 2050 is estimated to be 26 million hectares.
- Under Garnaut -10 scenario (in which the carbon price begins at \$25/t CO<sub>2</sub> in 2013) the area of land that is economically suitable for plantation forestry or environmental plantings between 2007 and 2050 is estimated to be around 8 million hectares.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC46 (continued)

- Under Garnaut – 25 scenario (in which the carbon price begins at \$45/t CO<sub>2</sub> in 2013) the area of land that is economically suitable for plantation forestry or environmental plantings between 2007 and 2050 is estimated to be 39 million hectares.
- for the Garnaut -25 and CPRS -15 scenarios the majority of afforestation is environmental plantings.

All modelling scenarios exclude key variables such as existing government biodiversity legislation, water availability (as limited by licensing constraints) and other constraints. The exclusion of these variables is likely to affect the final outcome and therefore the modelling projections may be considered as the “upper bounds” for the potential of plantings.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Budget Estimates May 2009**

**Agriculture, Fisheries and Forestry**

**Question:** CC47

**Division/Agency:** Climate Change

**Topic:** Drought Expenditure 2008-09

**Hansard Page:** Written

**Senator Nash asked:**

What was the actual expenditure on all drought programs in 2008 – 09?

**Answer:**

Please refer to CC01.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC48

**Division/Agency:** Climate Change

**Topic:** Drought Expenditure 2009-10, 2010-2011

**Hansard Page:** Written

**Senator Nash asked:**

What is the estimate expenditure on all drought programs for the following years 2009 – 10, 2010 – 11?

**Answer:**

The estimated expenditure for Department of Agriculture, Fisheries and Forestry's drought programs for 2009-10 is set out in the following table. There is no estimate for drought programs in the following years as, at 16 June 2009, no Exceptional Circumstances declarations extend beyond 30 June 2010.

<b>DROUGHT ESTIMATES FOR 2009-10</b>	
<b>PROGRAM</b>	<b>2009-10</b>
	<b>\$m</b>
Interim Income Support - Farmers	0.508
Interim Income Support - Small Business	0.036
EC Interest Rate Subsidies - Farmers	203.082
ECIRS State Administration - Farmers	8.082
EC Interest Rate Subsidies - Small Business	15.247
ECIRS State Admin - Small Business	0.537
EC Relief Payments - Farmers	191.725
EC Relief Payments - Small Business	10.315
Professional Advice and Planning	28.000
EC Exit Grants	22.500
EC Exit Advice & Retraining	1.050
EC Exit Relocation	0.750
MDB Irrigation Management Grants	0.000
<b>TOTAL</b>	<b>481.832</b>

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC49

**Division/Agency:** Climate Change

**Topic:** EC Budget

**Hansard Page:** Written

**Senator Nash asked:**

Budget Related Paper No.1.1, Portfolio Budget Statements 2009 -10, page 60 states; 'The reduction in expenses between 2009 -10 and 2010 – 11 is due to the cessation of drought programs.' Please explain what 'cessation of drought programs' means?

**Answer:**

As at 16 June 2009, no Exceptional Circumstances (EC) area declarations extend beyond 30 June 2010. If EC assistance is extended for any areas into 2010-11, funding will be sought through the normal budgetary processes consistent with present EC funding arrangements.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC50

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Nash asked:**

Will there be any drought programs beyond 2010 – 11?

**Answer:**

Yes. The Australian Government is undertaking a comprehensive, national review of drought policy and will finalise the details of its reforms later in the year. In the meantime, current drought policy settings will remain in place pending a government decision on reforms. The Australian Government has made it clear that it will not change drought support arrangements for farmers currently receiving assistance in areas that continue to be Exceptional Circumstances–declared.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC51

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Nash asked:**

Has funding been set aside for drought programs beyond 2010-11 in either the Departments or Treasury's contingency funding?

**Answer:**

Please refer Budget Paper No.1 2009-10 (Statement 6, Appendix B, p.52) which states "The Contingency Reserve makes allowance in 2009-10 and the forward years for anticipated events, including... provision for events and pressures that are reasonably expected to affect the budget estimates. For example, a provision for the continuation of drought relief in 2009-10."

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC52

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Nash asked:**

What has been the cost of each of the three separate Drought reports which have now all been publicly released?

**Answer:**

The costs of the investigations of the climatic, economic and social aspects of drought and drought support in Australia by, respectively, the Bureau of Meteorology and CSIRO, the Productivity Commission and an expert social panel have been:

- \$0.136 million (GST exclusive) for the Bureau of Meteorology and CSIRO assessment;
- \$0.973 million (GST exclusive) for the expert social panel assessment; and
- \$1.449 million (GST exclusive) for the Productivity Commission inquiry.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC53

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Nash asked:**

What is the next stage in the process now the reports have been publicly released?

**Answer:**

The Government is giving careful consideration to all the issues and options raised through the investigations of the climatic, economic and social aspects of drought and drought support in Australia by, respectively, the Bureau of Meteorology and CSIRO, the Productivity Commission and an expert social panel.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC54

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Nash asked:**

What is the timeline for the Government's response to these drought reports and when will the new drought policy be released?

**Answer:**

Please refer to answer to question CC53.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Budget Estimates May 2009**

**Agriculture, Fisheries and Forestry**

**Question:** CC55

**Division/Agency:** Climate Change

**Topic:** Drought assistance

**Hansard Page:** Written

**Senator Nash asked:**

Will the Government be release a drought white, green or discussion paper for public consultation before it implements any changes to the current drought programs?

**Answer:**

Please refer to answer to question CC53.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC56

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Does the Government agree with the findings and recommendations contained within the Productivity Commissions Report in Government Drought Support?

**Answer:**

Please refer to answer to question CC53.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC57

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Does the Government agree with the Productivity Commission that *'EC interest rate subsidies and state-based transactions subsidies are ineffective, can perversely encourage poor management practices and should be terminated.'*?

**Answer:**

Please refer to answer to question CC53.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC58

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Please give specific examples where either EC interest rate subsidies or state-based transactions have encouraged 'poor management' practices? How many of these types of instances have occurred?

**Answer:**

The Productivity Commission report provides an analysis of the impact of such government interactions on management practices and their consequences.



**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC59

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Does the Government agree with the Productivity Commission that state based transactional subsidies are; *exacerbating environmental damage from retaining excessive stock for the prevailing conditions.*’?

**Answer:**

Please refer to answer to question CC53.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

**Agriculture, Fisheries and Forestry**

**Question:** CC60

**Division/Agency:** Climate Change

**Topic:** Productivity Commission Report

**Hansard Page:** Written

**Senator Nash asked:**

Can the Government provide any specific examples where state based transactional subsidies have exacerbated environmental damage?

**Answer:**

Please refer to answer to question CC58.

**Senate Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Budget Estimates May 2009**

**Agriculture, Fisheries and Forestry**

**Question:** CC61

**Division/Agency:** Climate Change

**Topic:** EC Budget

**Hansard Page:** Written

**Senator Nash asked:**

Why is there no contingent liability listed in the Budget for drought support past 30 June 2010? Have you adopted a policy that drought across Australia ends on that date?

**Answer:**

Refer to CC49 and CC51.