

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2006

Agriculture, Fisheries and Forestry

Question No: RPI01

Division/Agency: Rural Policy Innovation

Topic: Drought Assistance

Hansard Page: 105

Senator O'Brien asked:

Yes, that would be of interest. In answer to a question on notice on 10 October, the Deputy Prime Minister stated:

‘Since 2001, the government has spent \$1.2 billion in assisting 53,000 families through the drought’.

The agriculture minister used the same figures in answer to a question on 12 October. Is that actual expenditure or funds committed?

Mr Koval—The \$1.2 billion is actual expenditure.

Senator O'Brien—How does that break down by year and by program?

Mr Koval—Would you like me to read them out or provide a table on notice at a later date?

Senator O'Brien—I would be interested to hear them. If we can have the table, that would make it easier.

Answer:

The following table shows a breakdown of Australian Government expenditure, through the Department's portfolio, on drought assistance by year and programme. The table also shows non-portfolio budgeted costs for drought assistance through Health Care Cards, Youth Allowance and Centrelink delivery costs.

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DAFF PORTFOLIO EXPENDITURE 2002-2003 TO 30 September-2006

Actual expenditure	2002-03	2003-04	2004-05	2005-06	Up to 30-9-2006	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Interest Rate Relief	3.266	6.65	2.277	0.000	0.000	12.193
Interim Income Support	51.977	41.456	1.865	0.63	0.132	96.060
EC Interest Rate Subsidy	42.626	97.932	105.140	239.998	77.369	563.065
EC Relief Payment	45.859	153.398	117.065	156.004	34.722	507.048
SUB - TOTAL	143.728	299.436	226.347	396.633	112.223	1070.113
Non-Portfolio Budgeted Costs						
Centrelink delivery costs	12.277	15.744	6.321	4.211	5.716	44.269
Health Care Cards ¹	5.289	17.693	13.576	13.050	3.476	53.084
Youth Allowance ²	5.988	17.060	12.731	13.940	6.517	56.236
SUB - TOTAL	23.554	50.497	32.628	31.201	15.709	153.589
Australian Government TOTAL	167.282	349.933	258.975	427.834	127.932	1223.702

¹ Budgeted through the Department of Health and Ageing.

² Budgeted through the Department of Education, Science and Training.

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Agriculture, Fisheries and Forestry

Question No: RPI02

Division/Agency: Rural Policy Innovation

Topic: Drought assistance - \$350m and \$560m announcements

Hansard Page: 106 (31/10/06)

Senator O'Brien asked:

You can give us those figures with the assumptions for the breakdown of expected take-up, can you?

Mr Koval – We can certainly do that. On an area-by-area basis or just the total?

Senator O'Brien – Area by area.

Answer:

The projected take-up rate for Exceptional Circumstances Relief Payment in each Exceptional Circumstances declared area was determined by using the maximum number of farms to have received income support since the area was declared. The projected take-up rate for Exceptional Circumstances Interest Rate Subsidies was estimated by using the number of Interest Rate Subsidy applications received over the previous 12 month period for each Exceptional Circumstances area. For areas that were opened to all producers, Exceptional Circumstances Relief Payments and Exceptional Circumstances Interest Rate Subsidy take-up rates were estimated at ten percent of additional producers covered by the declaration.

The \$350m and \$560m announcements were preliminary estimates for support.

The table below shows the breakdown of costs for Exceptional Circumstances areas included in the October 2006 announcements.

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				2006-07 Total	2007-08 Total
EC areas	Number of farms in the area	Number estimated to receive ECRP	Number estimated to receive ECIRS	Estimated cost to the Aust. Government	Estimated cost to the Aust. Government
Annex to Central North East SA	35	20	10	0.427	0.408
Armidale	900	267	146	7.919	6.409
Bourke & Brewarrina	280	158	128	4.504	4.847
Braidwood	1000	41	25	1.293	1.097
Burnett	3500	554	407	17.507	17.64
Burnett Addendum	1958	214	201	5.921	8.194
Casino	800	225	119	4.827	5.349
Central & East Gippsland	1688	288	141	5.150	4.755
Central Coast	1981	149	160	6.450	3.983
Central Darling Downs	1151	265	190	9.093	8.259
Central Mid West	845	96	151	0.342	5.276
Central North East SA	290	82	56	1.200	1.953
Central North-North West	4265	1334	570	25.949	28.7
Central Tablelands	2401	137	65	5.537	5.51
Central Victoria	3742	492	380	11.501	12.316
Condobolin A & B	610	169	81	4.230	3.988
Condobolin C & D & Narrandera A	1600	510	323	18.383	13.944
Cooma-Bombala-ACT	1000	88	67	3.134	2.681
Dubbo	1800	266	284	11.426	9.432
Eastern Mallee	1000	212	110	2.522	4.45
Eastern Riverina	1450	111	134	3.911	4.588
Forbes	2660	427	426	7.402	0.000
Goulburn & Yass	1500	190	140	1.324	0.000
Goulburn-Loddon-Campaspie	2003	800	968	22.523	23.482
Goulburn-Yass	1500	195	146	4.477	5.879
Gundagai	300	53	68	1.920	2.149
Hay	525	155	73	4.863	3.626
Hinchinbrook	320	32	32	0.636	1.301
Hume	720	39	69	1.785	2.004
Mackay-Whitsunday	1480	173	173	1.160	7.143
Majority Western Division	1000	465	340	18.256	13.822
Mallee-Northern Wimmera	2400	843	457	2.898	17.833
Molong	2450	153	137	5.678	5.158
Moss Vale-South Coast	2771	461	150	8.047	8.873
Mudgee-Merriwa	900	146	110	4.714	4.172
Murray System	800	262	109	1.176	4.984
Murray Valley Mixed Irrigators	650	215	215	8.512	3.865
Murray Valley Rice	1000	236	225	3.016	7.786
N E Northern New England	215	70	71	3.054	2.077
North East Victoria	4692	573	157	11.836	9.512
North Eastern Wheatbelt WA	369	29	35	0.353	0.971

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				2006-07	2007-08
				Total	Total
EC areas	Number of farms in the area	Number estimated to receive ECRP	Number estimated to receive ECIRS	Estimated cost to the Aust. Government	Estimated cost to the Aust. Government
Northern New England	900	212	123	4.760	5.283
Northern Tablelands Small Areas	450	62	49	1.857	1.821
Northern Victoria	1600	151	35	2.770	2.226
Nyngan	600	175	102	6.107	4.569
Peak Downs	181	115	70	2.539	3.502
South East Mallee	470	116	28	1.206	1.877
South West QLD	681	413	118	4.958	9.226
South West Slopes & Plains	4892	967	821	33.635	30.973
Southern Darling Downs	911	264	135	7.608	6.618
Southern Murweh	212	45	45	1.937	1.538
Southern Rangelands	260	47	59	1.464	1.632
Southern South East	1541	192	113	5.905	4.599
Stanthorpe/Inglewood	350	137	122	5.504	4.414
Sunshine Coast	2517	252	21	3.172	4.308
Upper North Cropping	360	80	64	1.294	1.868
Walgett Coonamble	1372	430	304	14.960	10.604
Western Downs & Maranoa	2008	546	531	22.449	16.528
Young Broadacre	826	140	156	9.050	5.463
Young Stonefruit	95	60	9	0.870	0.000
TOTAL				424.688	426.358

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Agriculture, Fisheries and Forestry

Question No: RPI03

Division/Agency: Rural Policy and Innovation

Topic: Apprenticeships

Hansard Page: 110 (31/10/06)

Senator Ferris asked:

Acting Chair—Do you have any figures that would indicate the number of people who could be affected by that? Does your department keep figures on rural apprentices?

Mr Thompson—No, our department does not keep those figures.

Acting Chair—Would it be possible for you to have a look and see whether they could be supplied to us so that we can see the breadth of the numbers of people who are at risk?

Clearly when the drought ends a number of these young people may no longer be in these places. One of the difficulties is that when you lose that infrastructure it is often difficult to get it back.

Mr Thompson—I appreciate that. We would have to approach other government departments to obtain that information, but some information would no doubt be available about the number of apprentices in rural areas, perhaps by sector or something like that.

Answer:

The National Centre for Vocational Education Research estimates that there were 157,300 apprentices in training across all industries in rural and regional areas at 31 March 2006. This represents 39 per cent of the total number of apprentices in training across Australia.

This answer was provided by the Department of Education, Science and Technology.

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Agriculture, Fisheries and Forestry

Question No: RPI04

Division/Agency: Rural Policy Innovation

Topic: Rate of appeals for Exceptional Circumstances business support

Hansard Page: 112 (31/10/06)

Senator Ferris asked:

Could you give me any indication of the number of appeals that might be lodged and the rate of success of those appeals?

Mr Koval—I do not have the number of appeals.

Acting Chair—You might need to take that on notice.

Acting Chair—I would appreciate it if you were able to tell me what rate of appeal there is and what percentage of those appeals are successful. I realise that you may need to take it on notice.

Mr Koval—I will also need to contact the states to get the latest information.

Acting Chair—That would be useful.

Answer:

The number of applications for Exceptional Circumstances Interest Rate Subsidies that were declined and the number of those producers who appealed that decision can be found in the table below. The figures were sourced from the state government Rural Assistance Authorities who administer the Exceptional Circumstances Interest Rate Subsidies.

Two States, New South Wales and Victoria, initially only recorded the number of applications they declined. They commenced recording the number of declined applications that were appealed at a later date.

For example, the New South Wales Rural Assistance Authority recorded the number of declined applications from November 2002, where as, the number of appeals were recorded from July 2003. The Rural Finance Corporation of Victoria recorded the number of declined applications from February 2003, where as, the number of appeals were only recorded from January 2004 onwards.

The States are unable to provide the data on an area by area or timeframe basis and can only provide it as aggregate data. It should be noted that the information provided may under-report the number of appeals due the time gap in recording this information.

	New South Wales	Victoria	Queensland	South Australia	Western Australia
	November 2002 to 30-11-06	February 2003 to 30-11-06	January 2002 to 30-11-06	December 2002 to 30-11-06	February 2001 to 30-11-06
Number of applications received	16,427	4,924	9,939	324	1,417
Number of applications declined	2,952	1,011	1,848	30	390
Number of appeals	907	200	545	1	84
Number of successful appeals	331	153	310	0	54
Per cent of successful appeals*	36.5%	76.5%	57%	0%	64 %