

**Senate Rural and Regional Affairs and Transport Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Supplementary Budget Estimates October 2009  
**Agriculture, Fisheries and Forestry**

**Question:** APD 01

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Regional Australia Youth Issues  
**Hansard Page:** 17 (19/10/09)

**Senator NASH asked:**

**Senator NASH**—Dr O’Connell, when would it be most appropriate for me to deal with the Youth Allowance issue today?

**Dr O’Connell**—I think we might be able to help you now, Senator.

**Mr Grant**—We talked to the secretariat who are looking at the running of the Bradley review during the consultations when that review was ongoing. We talked about the Youth Allowance issues but, in the end, the Bradley review did not necessarily pick up all the issues that we discussed with them.

**Senator NASH**—What types of issues did you see as relevant or that could potentially have an impact on regional Australia?

**Mr Grant**—I will have to take that on notice. We could probably come back and address the broad range of issues that youth suffer. These are now also picked up in the Community Networks and Capacity Building program. That has four elements; one of which is youth. A series of grants have been provided under the project called Next Gen Farmers. The youth elements of that project are picked up in that grants program as well.

**Senator NASH**—That would be quite useful to give the committee an understanding of the department’s view of where the priorities lie in that particular area.

**Mr Grant**—Sure. I am happy to do that.

**Answer:**

The Community Networks and Capacity Building (CNCB) component of the Australian Government’s Australia’s Farming Future primarily addresses the issues of increasing the leadership and representative capacity of specific target groups to strengthen primary industry productivity and build rural, regional and remote community resilience to a changing climate. The target groups include women, youth, Indigenous Australians and people from culturally and linguistically diverse backgrounds.

Issues in relation to youth are addressed through *Next Gen Farmers Grants*, which as a CNCB initiative, has 4 key target outcomes:

1. Increased awareness of the challenges and opportunities facing agriculture, fisheries and forestry industries due to a changing climate.

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**Question:** APD 01 (continued)

2. Development of leadership and management skills among individuals and groups living in rural, regional and remote Australia to strengthen industry productivity and community resilience.
3. Improved engagement with target groups and increase participation in government and industry policy development (including industry boards and organisations).
4. Improved networks among individuals and groups in rural, regional and remote Australia.

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**Question:** APD 02

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Research and development corporation reports  
**Hansard Page:** 58-59 (19/10/2009)

**Senator Heffernan asked:**

**Senator HEFFERNAN**—I will hop to the minister. Minister, agriculture in Australia is under great pressure not only from the weather changes and the competitive nature of the global market. For instance, the price of cross-bred wool now is cheaper than it has been for 10 years and there is an average of seven fleabags in the system that handle and get a levy out of the wool from when it leaves the auction until someone uses it. We have the pressures of the global emissions, the rising dollar—a whole range of things—and a falling off of research. Do you think that it is proper behaviour to put political pressure on research and development organisations to edit their reports to reflect a position in which they do not believe?

**Senator Sherry**—I am not aware of—

**Senator HEFFERNAN**—That is an honest answer; you would not be. But I am.

**Senator Sherry**—All I can do, Senator Heffernan, is take it on notice and refer it to the minister.

**Answer:**

No, and this has not occurred.

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**Question:** APD 03

**Division/Agency:** Agricultural Productivity Division

**Topic:** Chinese government funding and funding to Australian industry

**Hansard Page:** 59 (19/10/2009)

**Senator Nash asked:**

**Senator NASH**—My question is probably to the minister—and I do appreciate that you are not the minister, Senator Sherry, so you might want to take it on notice for your minister. My question is around the global financial crisis and what other countries have done in terms of agriculture—the \$600 billion Chinese package, which had a significant agricultural component. Indeed, on 1 April the Chinese Premier said that agricultural development and higher rural incomes are the key to the economy's recovery. I do understand that our Prime Minister was very supportive of the Chinese package. Why then do we see millions of dollars going to the coal industry and billions of dollars going to the car industry and yet we see cuts to organisations such as Land and Water, who are particularly working with the one sector that is most likely to be able to contribute to the country's economic recovery?

**Senator Sherry**—I just make a couple of points. Firstly—and this is only from my general knowledge and observation about China—I think it is correct to say that they have always placed significant emphasis on development in their agricultural sector for a fairly obvious reason: the sheer number of people who are dependent on agriculture in China. There are a range of related issues there as well—development in rural and regional China. Whilst I do have some knowledge of the various stimulus packages in my capacity as Assistant Treasurer, I do not have a detailed knowledge comparatively of the various packages and the extent to which there is what you would describe as a rural component within those packages. I do not have that knowledge, although I think we could take it on notice. I do not know whether officers here have knowledge of the rural components, if I could use that term, within the various stimulus packages. Beyond that—and you have made some general observations and comments—I would need to take the general critique, if I could describe it as that, on notice for the minister. As I say, if there are officials who can add to detail about stimulus packages in the agricultural sector around the world—

**Answer:**

The 2009-2010 Budget was faced with significant challenges arising from a loss of revenue due to the global financial crisis. This challenging economic environment caused the government to reprioritise its investment in research and development (R&D) with an increased focus on boosting productivity, addressing climate change and global food security.

Since it was established in 1990, Land and Water Australia (LWA) has performed a lead role in improving the management of Australia's land, water and vegetation resources through its continued investment in research, development and extension.

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**Question:** APD 03 (continued)

Natural resource management is now a mainstream issue and one that will continue to attract both public and private investment.

The broad network and funding programs of the research and development corporations, other government agencies, tertiary institutions and non-government agencies, all contribute to the body of research into land, water and vegetation resources.

In response to the global financial crisis, the Australian Government announced the small business and general business tax break as an 'investment allowance' in December 2008, to assist businesses meet the challenges of the economic downturn. For farmers this tax incentive is for purchases of new farm machinery and other capital investments. To be eligible a capital item must be purchased by 31 December 2009 and be installed ready for use by 31 December 2010.

On 3 February 2009, the Australian Government released a \$42 billion Nation Building Economic Stimulus Plan to support jobs and provide significant new investment. This included a one-off \$950 Farmer's Hardship Payment to farmers receiving drought income support payments. The eligible income support payments were the Exceptional Circumstances Relief Payment (farmer and small business), Transitional Income Support, Farm Help Income Support and Interim Income Support (farmer and small business). More than 21,000 farmers and small business owners received the Farmer's Hardship Payment between 24 March and 6 April 2009, at a cost of approximately \$20.2 million.

In addition to the Farmer's Hardship Payment, recipients may also have been eligible for other payments such as the Tax Bonus for Working Australians, Single Income Family Bonus, a Back to School Bonus or a Training and Learning Bonus

The government has also provided:

- funding for the construction or refurbishment of a building in every rural and regional school and further funding of up to \$200,000 for maintenance and minor building works;
- \$390 million in new funding to reduce the maintenance backlog and improve safety on country roads and regional highways, install boom gates and other safety measures at around 200 rail crossings and fix around 350 dangerous 'black spots' across Australia;
- An extra \$500 million over two years to expand the Regional and Local Community Infrastructure Program – Strategic Projects. This funding can be used to build major community infrastructure such as town halls, libraries, community centres and sporting facilities.

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**Question:** APD 04

**Division/Agency:** Agricultural Productivity Division

**Topic:** Wheat Export Technical Market Support Grants Program

**Hansard Page:** 114-115 (19/10/2009)

**Senator NASH asked:**

**Senator NASH**—I have one, just to kick off. Gentlemen, we had some discussion at the last estimates around the Wheat Export Technical Market Support Grants Program.

**Mr Grant**—Yes.

**Senator NASH**—Thanks, Mr Grant. You very kindly took on notice and gave us a list of all of those companies that had indeed been recipients of the funding. What does the department do in terms of tracking the efficacy of funding those organisations to access those markets?

**Mr Grant**—A lot of it is about capacity building, so we sign funding agreements with those recipients of the grants. The funding agreements contain milestone payments, and the grantees then receive the next component of the milestone payment once they have implemented what they committed to implement as part of that funding agreement. Until they have actually done what they said they would do, they do not get the next tranche of money.

**Senator NASH**—Okay.

**Mr Grant**—If you are looking more broadly at whether down the track they will export more wheat to more countries—because in a sense this program is about capacity building—we would hope in perhaps a few years to identify that some of these companies will have the capacity and expertise to export wheat more broadly than they currently do. Most of those companies that we have provided funding to have not exported in the past or have exported in minimal amounts. So we are hoping that the funding will help them develop capacity and expertise to export into the longer term.

**Senator NASH**—I am very happy for you to take this on notice, but can you provide for the committee what these organisations had previously exported before gaining these grants that you were just referring to.

**Mr Grant**—Yes, I can. Was it in the questions on notice that we pointed out how many of them had previously exported? I can do that as well. We had a discussion about that. I cannot remember whether it was in there or not, but we can do that.

**Senator NASH**—I do not think so, so if you could give us that—and, obviously, also the amounts comparatively.

**Mr Grant**—I know about half of them were not previous exporters at all.

**Senator NASH**—And half were? That would be very useful. Have any of those milestones come up yet?

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**Question:** APD 04 (continued)

**Mr Grant**—Yes, some of the milestones have come up, and we have made second and potentially third payments. In fact, there has been another round of grants, so we have actually had two rounds of grants. The first round of grants—milestones—have been paid and in some cases, I think—and Peter Ottesen can confirm—we have actually paid out the full amount of the year 1 grant.

**Senator NASH**—Did any of the organisations not meet the milestones?

**Mr Grant**—Not that I am aware of, no.

**Senator NASH**—Excellent. In relation to that second round—sorry, it was a bit remiss of me—could you take that on notice and provide for the committee the next round of recipients that you were just referring to.

**Answer:**

*Grantee export history:*

All successful grantees under the first and second rounds of the Wheat Export Technical Market Support Grants Program are either new or small scale grain exporters. Many of the grantees have experience exporting crops other than wheat such as barley, chickpeas and sorghum.

Under Round 1, at the time of submitting applications in January 2009, two of the nine successful grantees had exported bulk wheat since the new arrangements commenced on 1 July 2008. Seven of the grantees had previously exported containerised wheat in volumes ranging from 400 to 20,000 tonnes.

*Round 2 funding information:*

The successful applicants under the second round of the Wheat Export Technical Market Support Grants Program are as follows:

- |                           |          |
|---------------------------|----------|
| 1. Greentree Farming      | \$13,500 |
| 2. OzEpulse Pty Ltd       | \$22,500 |
| 3. GRAINassist            | \$35,500 |
| 4. PentAg Commodities Ltd | \$12,850 |
| 5. AgFarm Pty Ltd         | \$29,750 |
| 6. Tamma Grains           | \$38,750 |

Five of these grantees were also successful under Round 1 of the program. The grant guidelines provide a funding cap of \$60,000 per applicant across all rounds of the program.

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**Question:** APD 05

**Division/Agency:** Agricultural Productivity Division

**Topic:** Research and Development into nutrient loss and recycling

**Hansard Page:** 117 (19/10/2009)

**Senator Back asked:**

**Senator BACK**—Just picking up on the question of the need to produce more food to feed another 1.9 billion people in Asia by 2050, can you tell me if you are doing any research on nutrient loss and how we might capture nutrients for recycling in the Australian agricultural cycle?

**Mr Grant**—I am not aware of specific work that is being done in the department. Again, there may be work that has been done in the RDCs, or the Bureau of Rural Sciences might be in fact doing some work.

**Dr O’Connell**—Unfortunately they have just gone. They were on just previously.

**Senator BACK**—Can I ask then is there any cooperative work between your department and the CSIRO, for example, in this area of capturing lost nutrients, or do we have to put that on notice for those who—

**Dr O’Connell**—I think we would have to take that on notice, given that the people have just gone.

**Answer:**

Various Research and Development Corporations (RDCs) have different projects running. For example:

- The **pork industry** has a long history of byproduct use as nutrient sources (protein and energy) in pig diets. Producers are required by state legislation concerning swill feeding to ensure byproducts are fit for purpose and meet regulatory requirements. These byproducts are treated within the feed manufacturing process to ensure all finished feed is safe for the pig and the consumer. The types of byproducts used include:

- Rendered products – such as fishmeal, meat and bone meal, bloodmeal etc
- Dairy products such as skim milk, flavoured and plain milk and whey for use in piglet and early grower pig diets
- Bakery products
- Confectionary products – chocolate bars.

In addition to the use of effluent as a fertiliser, the pork industry also uses spent deep litter as a nutrient source to make compost material for mushroom farming.



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The pork industry is also investigating the potential use of effluent to grow algae that in turn can be harvested and used as a source of protein and energy for pig feeds. At this stage, only desktop studies have been commissioned. Pilot studies to grow algae

on effluent ponds will be commissioned in the next couple of years once suitable algal strains have been isolated.

- **Dairy Australia** has been investing in projects to re-cycle nutrients and prevent nutrient loss through increased nutrient use efficiency for a number of years.

These projects include:

*Pre-farm gate -*

- Better Fertiliser Decisions 2002-2006 (Approximately \$900 000) - The Better Fertiliser Decisions (BFD) tool enables farm managers to plot on a curve (consisting of regional, state or national pasture response data) the increase in pasture growth they can expect to achieve for a given application of N, P, K or S, depending on soil type. Using fertiliser recommendations based on BFD data will save the typical farm business several thousands of dollars a year in unnecessary fertiliser application, and significantly reduce the risk of surplus nutrients leaving the farm in runoff or by leaching through soil.
- Accounting for Nutrients 2007- 2010 ( \$1 040 000) - Nutrient accounting is a technique used to quantify nutrient inputs and outputs either at a whole-farm or paddock scale, in order to determine nutrient deficits or surpluses, in an attempt to improve nutrient use efficiency and reduce nutrient losses from agriculture. The output from this project will be a standardised national nutrient accounting framework which will improve the dairy industry's understanding and management of nutrient requirements and nutrient flows, increase the efficient and profitable use of nutrients and reduce nutrient losses from dairy farms.
- The Effluent and Manure Management database for the Australian Dairy Industry (\$130 000)
- This database is a repository of the technical information that underpins state and regional guidelines on dairy effluent management, technical and farmer based extension programs and educational material on effluent management.
- Emerging dairy shed effluent management technologies 2007- 2008 (\$50 000)
- Sustainable and economic systems for the re-use of dairy effluent for forage production (\$170 000)
- Development of regional effluent management case studies highlighting the cost benefits of reusing nutrients from effluent

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**Question:** APD 05 (continued)

More information about these projects and cases studies is available from [www.dairyingfortomorrow.com](http://www.dairyingfortomorrow.com)

*Post farm gate -*

Dairy Australia was a partner with the processing sector and a number of research entities in a 4 year \$4.68m “Closing The Loop Project”, which focused on reducing or re-using waste from the processing sector. This was accomplished through: building knowledge and data on waste, assessing the current state of practice on reducing waste, developing and disseminating best practice in the reuse of dairy waste on agricultural land.

- **Meat and Livestock Australia (MLA)** has three current projects that address this specific topic of nutrient capture and recycling in an integrated way in the feedlot sector:

1. Measuring greenhouse gas (GHG) emissions from Australian feedlots
2. Quantifying manure outputs from Australian feedlots
3. Manure management to reduce GHG emissions from cattle feedlots

While the focus of these projects has been on measuring and reducing GHG emissions, a significant and recognised output is the potential to improve feedlot manure as a source of nutrients, nitrogen (N) in particular. Ammonia emissions from feedlot manure pads and stockpiles (up to 70% of dietary N intake can be lost in this way) is not only a huge loss of N nutrients from manure but, when subsequently deposited to adjacent land, may be a significant source of indirect nitrous oxide emissions. If these losses can be reduced, there is potential to both reduce GHG emissions and enhance the fertilizer value of feedlot manure. The first project has measured N losses, through volatilization of ammonia, from the manure pad in feedlot pens, while the second project will measure and quantify nutrient (specifically N, P, K and C) losses at the various stages of manure decomposition under current management practices. The third project will evaluate the effectiveness of innovations in manure management (the use of urease inhibitors and stockpile aeration) in a beef cattle feedlot, for reducing GHG emissions and improving the fertilizer value of manure.

MLA’s contribution to the three projects is \$823,404. The respective projects have attracted total funding of \$676,287 from the following Australian Government funding programs:

1. Australian Greenhouse Office (\$150,000)
2. Methane to Market Program (\$84,607)
3. Australia’s Farming Future (\$441,680)

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**Question:** APD 05 (continued)

In the off-farm sector MLA supports R&D into rendering, a major conventional method of capturing and rendering stable the valuable nitrogen and phosphate in abattoir waste, one of the major applications of which is as a fertiliser (meat and bone meal). The research activities focus on minimising the energy usage and the green house gas impact of this process.

MLA and Australian Meat Processor Corporation (AMPC) have two current projects focusing on effluent treatment with a view to sequestering nutrients in biomass which would then be more readily used in agricultural applications. In both cases the projects are in collaboration with other organisations looking at food industry effluent issues.

*Collaborative project – Next generation solids stabilisation.*

MLA / AMPC are supporting a project for the pilot scale demonstration of a technology for the treatment of solid waste from the food processing industry with a view to producing safe, easy to handle organic fertiliser. The process is expected to also produce excess energy as electricity. A pilot facility is currently under development at a meat processing site.

*Support for granular sludge DEST grant.*

MLA / AMPC are supporting a pilot scale demonstration plant in a meat works of a technology for cost effectively scavenging nitrogen and phosphate from liquid effluent streams. The project is in collaboration with the Environmental Biotechnology Cooperative Research Centre (EBCRC) supports work at the University of Queensland. The aim of the project is to develop a robust and cost effective means of removing these nutrients from the effluent stream and capturing them in the solids / sludge in the treatment plant. In this concentrated form it is anticipated that use of the nutrients in agricultural applications will be more economically feasible.

*Environmental Biotechnology Cooperative Research Centre 2009-2010*

MLA / AMPC have been long term investors in the EBCRC, supporting a diverse range of fundamental projects on the capture of nutrients from food processing streams and their use as a resource. Pilot scale projects described above have grown out of technology developed through this work.

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**Question:** APD 06

**Division/Agency:** Agricultural Productivity Division

**Topic:** Labour and Skills

**Hansard Page:** 117-118 (19/10/2009)

**Senator Back asked:**

**Mr Grant**—I think we touched on labour issues this morning to a small extent. The department, through the Agricultural Productivity Division, implements the Community Networks And Capacity Building program.

One of the areas of focus in that program is on youth and there are a number of grants that are focused at trying to encourage and skill and involve youth in agriculture into the future. The issue of broader labour skilling and the role of some of the institutions has also been looked at through the Primary Industries Ministerial Council. The council, including all of the states and the Commonwealth, asked for a report to be provided about the current capacity and activities that are happening through tertiary education, through agricultural institutions and trying to identify whether there is a stronger role that agricultural ministers can play in this. That report will be considered by the ministerial council at its next meeting in November.

**Senator BACK**—Is it likely that there would be a communiqué from that council meeting?

**Mr Grant**—Yes, I think there will be a communiqué.

**Senator BACK**—Which will be publicly available?

**Mr Grant**—Yes, there will.

**Senator BACK**—I would be most interested to receive it, if that is possible.

**Answer:**

The Primary Industries Ministerial Council met in Perth on 6 November 2009. The Council discussed issues surrounding workforce and skills in primary industries and noted a report on this topic.

The communiqué from the Council meeting is attached, and will also be made available online at [http://www.mincos.gov.au/media\\_releases](http://www.mincos.gov.au/media_releases).

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**Question:** APD 07

**Division/Agency:** Agricultural Productivity Division

**Topic:** FTE changes as a result of productivity

**Hansard Page:** 121 (19\10\2009)

**Senator COLBECK asked:**

**Senator COLBECK**—Thanks, Acting Chair. I will get you to take this question on notice, but I am just going back to the chestnut I started with at the beginning of the day, the change in FTEs as a result of productivity and the additional \$12 million impact on the department, so that I get a sense of what has happened in your area. Do you have some holistic numbers for us, Dr O’Connell?

**Dr O’Connell**—I think we do have the numbers for our current status which we can give you. I will just make sure we have those.

**Senator COLBECK**—You gave us the whole-of-agency information, but what I am looking for is the breakdown. There is probably not a chance to interrogate that now.

**Answer:**

Please see response to CSD 15.

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**Question:** APD 08

**Division/Agency:** Agricultural Productivity Division

**Topic:** Horticulture Code of Conduct

**Hansard Page:** 122 (19/10/2009)

**Senator Colbeck asked:**

**Mr Grant**—The Horticulture Code Committee has finalised its deliberations and provided its report to the minister, and the minister is still considering the Horticulture Code Committee's recommendations on the implementation of the ACCC's recommendations.

**Senator COLBECK**—How long has that advice been with the minister?

**Mr Grant**—I do not know the exact date. A couple of weeks is my guess, but I can take that on notice and confirm that.

**Answer:**

The Department provided the Horticulture Code Committee report to the Minister's office on 14 September 2009. The Minister released the report publicly on 1 November 2009.

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**Question:** APD 09

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Government food manufacturing industry strategy  
**Hansard Page:** Written

**Senator Colbeck asked:**

1. Does the Government have a food manufacturing industry strategy and, if so, what format does it take?
2. If not, are there plans for such a strategy to be developed?
3. What programs does the Government run to support small and medium sized food manufacturers?
4. Are there any available for non-rural areas?

**Answer:**

1. The Australian Government has a market-based approach to industry policy, with broad policy settings designed to facilitate commercial activity, and targeted government intervention where justified. The Australian Government's food manufacturing industry strategy is explicitly stated or implicitly embodied in its election policy documents, including those for primary industries, exports, innovation, climate change and water.
2. N/A.
3. The government runs a number of programs that provide direct and indirect support to small and medium sized enterprises. These include:
  - The Regional Food Producers Innovation and Productivity Program, which provides direct support to enterprises of all sizes and aims to boost productivity and profitability of regional food producers by providing merit-based grants to assist them to develop and implement new technologies; adopt and implement technologies already developed but never used in Australia; and use existing technologies more efficiently and productively.
  - Promoting Australian Produce, which provides indirect support to food manufacturing businesses through relevant industry groups that use the grants to develop their capacity to market and promote their production.
  - Promoting Australian Produce (Major Events), which provides indirect support to food manufacturing business through relevant industry groups that stage major national events that encourage the transfer of technology through the industry or promote Australian produce to domestic and international markets.

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Food manufacturers may also be eligible for an extensive range of government programs supporting Australian business. These include tax concessions and programs to encourage exports, innovation, commercialisation, investment promotion, research and development. The government also has a range of programs that support Australian businesses to respond to challenges such as climate change and changing water availability. Program information can be accessed through the government's GrantsLINK ([www.grantslink.gov.au](http://www.grantslink.gov.au)) and business portal ([www.business.gov.au](http://www.business.gov.au)) websites.

4. Yes. For example, the Regional Food Producers Innovation and Productivity Program applies a regional benefits test, but does not require applicants to be from regional areas. This recognises that the program is providing support across the value chain, which (usually) starts in rural areas and has strong linkages in metropolitan areas. The other programs mentioned above will benefit both rural and non-rural areas.



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**Question:** APD 10

**Division/Agency:** Agricultural Productivity Division

**Topic:** Plant Breeder's Rights

**Hansard Page:** Written

**Senator Colbeck asked:**

1. What involvement has DAFF had in the Plant Breeders Rights Review?
2. What is the status of this review? (began in 2007, was suppose to report back to Government in "late 2008").

**Answer:**

1. The Advisory Council on Intellectual Property is currently conducting a review of the enforcement of Plant Breeder's Rights. DAFF has had no involvement in the review.
2. Responsibility for the review rests with the Minister for Innovation, Industry, Science and Research.

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**Question:** APD 11

**Division/Agency:** Agricultural Productivity Division

**Topic:** Tasmanian dairy industry

**Hansard Page:** Written

**Senator Colbeck asked:**

1. When did the Department first provide advice to the Minister on the state of the dairy farmers in Tasmania with respect to the concerns raised by these dairy farmers in recent weeks regarding milk prices, power outages and flooding conditions?
2. What advice was provided to the dairy farmers by Mr Murnane and Ms Ford last week in the Circular Head region?
3. What recommendations from farmers were received?
4. What advice and/or recommendations have been provided to Minister Burke following this visit?
5. Has the Department put forward any recommendations to the Government or Minister recommending any funding assistance for the dairy farmers?
6. Has the Department been contacted by the Prime Minister's office, either directly or through the Dept of Prime Minister & Cabinet or the Minister's office, regarding natural disaster relief for dairy farmers in Tasmania affected by severe storms and power outages? (following a 30 September letter from Senator Colbeck to the Prime Minister)
7. If so, what advice was provided to the Minister?
8. When was the advice provided to the Minister?

**Answer:**

1. The Department of Agricultural, Fisheries and Forestry provides advice to the Minister and his office on all agricultural industries including the dairy industry on an ongoing basis.
2. Mr Murnane and Ms Ford did not provide advice to dairy farmers they met in Tasmania. The meetings were to enable farmers to raise concerns with government officials.
3. At the meetings between Tasmanian dairy farmers and government officials, some farmers requested one or more of the following forms of assistance:
  - reintroduction of a retail levy to provide some certainty for farmers' income
  - provision of community support or assistance

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- provision of financial and other counselling
  - government regulation to ensure clarity of farmgate prices offered by processors
  - industry investment into strategic planning
  - continued support by the rural financial institutions for farmers considered viable through short-term difficulties
4. The question seeks information on the substance of policy advice to government.
  5. See response to question 4.
  6. No.
  7. Not applicable.
  8. Not applicable.

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**Question:** APD 12

**Division/Agency:** Agricultural Productivity Division

**Topic:** Horticulture Code of Conduct

**Hansard Page:** Written

**Senator Colbeck asked:**

Could the Department please provide a full breakdown of expenditure on the Horticulture Code of Conduct 2008-2009 and 2009-2010?

**Answer:**

<b>Horticulture Code of Conduct Expenditure</b>		
	FY 2008/09	Oct YTD 2009/10
Employee expenses	201,220	69,053
Horticulture Mediation Adviser and Produce and Grocery Industry Ombudsman*	236,360	52,451
Horticulture Code Committee	56,854	1,340
Legal	19,706	12,363
Other	77,971	1,098
<b>Total</b>	<b>\$592,111</b>	<b>\$136,305</b>

\*Contract provides for the delivery of the two services and cannot be separated.

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**Question:** APD 13

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Government food manufacturing industry strategy  
**Hansard Page:** Written

**Senator Colbeck asked:**

Could the Department please give an explanation for the rise in the level of Regional Food Producers Innovation and Productivity Program funding available from budget year 2008-2009 to budget year 2009-2010 and from budget year 2009-2010 to budget year 2010-2011?

**Answer:**

The program expects to be spending more money in its later stages, as it will be administering projects from early rounds as well as projects from later rounds. Funding is paid on a retrospective basis – the grantee must have completed activities and spent money before a grant payment will be made – hence grant payments are more likely to be made later in the life of the program.

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**Question:** APD 14

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Government food manufacturing industry strategy  
**Hansard Page:** Written

**Senator Colbeck asked:**

1. Could the Department please provide a full list of recipients of the Regional Food Producers Innovation and Productivity Program in 2008-2009 and 2009-2010 – broken down by location (electorate if available), state and level of funding?
2. What is the level of funding expended on administration of the program?

**Answer:**

1. Grants approved in Round 1 of the program were:

Recipient	Location	State	Funding	Electorate
SJ & SL May	Wirimah	NSW	\$45,300	Hume
Ricegrowers Limited (SunRice)	Leeton	NSW	\$201,000	Riverina
Emerald Creek Foods	Mareeba	QLD	\$50,000	Kennedy
Stahmann Farms Enterprises Pty Ltd	Toowoomba	QLD	\$225,000	Groom
Kangaroo Island Shellfish Pty Ltd	American River	SA	\$35,000	Mayo
Spring Bay Seafoods Pty Ltd	Triabunna	TAS	\$236,808	Lyons
Redrock Lobster Pty Ltd	Smithton	TAS	\$200,000	Braddon
Tassal Group Limited	Huonville	TAS	\$727,031	Franklin
Australian Gourmet Chestnuts	Eurobin	VIC	\$250,000	Indi
Geoffrey Gardiner Dairy Foundation Ltd	Tatura	VIC	\$231,000	Murray
Sundown Foods Australia Pty Ltd	Colbinabbin	VIC	\$72,500	Murray
Murray Goulburn Cooperative Co Limited	Cobram	VIC	\$771,225	Murray
Craig Mostyn Group	Wooroloo	WA	\$347,415	Pearce
Western Australian Meat Marketing Cooperative Limited (WAMMCO)	Katanning	WA	\$2,516,640	O'Connor
Challenge Australian Dairy Pty Ltd	Capel	WA	\$489,800	Forrest

No funds were paid in 2008-2009. Funds for these projects will be paid on the basis of milestones achieved in 2009-2010 and later years, as set out in Funding Agreements signed with the recipients.

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**Question:** APD 14 (continued)

2. In 2008-2009, the departmental costs for administering the Regional Food Producers Innovation and Productivity Program were under a single cost code. For 2009-2010, the departmental costs for this program and Promoting Australian Produce have been merged into a single cost centre to simplify administration and accounting. The following has been spent:

2008-2009:   Regional Food Producers Innovation and Productivity Program  
                  \$668 000

2009-2010 (to date): both programs \$334 000

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**Question:** APD 15

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Government food manufacturing industry strategy  
**Hansard Page:** Written

**Senator Colbeck asked:**

1. Could the Department please provide a full breakdown of expenditure on the Promoting Australian Produce Program for 2008-2009 (actual) and the year 2009-2010 and 2010-2011 (expected)?
2. What is the explanation for moving this expenditure item from Program 1.10 to Program 1.5 over the financial years?
3. What is the level of funding expended on administration of this program?

**Answer:**

1. Grants approved in Round 1 of the program were:

<b>Recipient</b>	<b>Funding</b>
Australian Mussel Industry Association Inc	\$50,030
Winemakers Federation of Australia	\$77,000
Seafood Services Australia	\$148,875
Australian Pork Limited – Produce Shopper	\$235,000
Australian Pork Limited - LEVERAGE	\$175,000
Australian Mushroom Growers Association Ltd (AMGA)	\$199,700
Australian Olive Association	\$200,000
Vegetables WA	\$31,705
Western Australian Fishing Industry Council	\$100,000
Australian Pork Limited – the Australianness of Pork	\$125,000
Seafood Experience Australia Ltd	\$36,000
Good Food Kangaroo Island	\$23,000
Kangaroo Industries Association of Aust inc	\$215,678
Queensland Seafood Industry Association	\$68,500
Grain Growers Association	\$350,000

No funds were paid in 2008-09. Funds for projects approved in Round 1 will be paid on the basis of milestones achieved in 2009-2010 and 2010-2011 as set out in Funding Agreements signed with the recipients. Commitments to date in 2009-2010 are \$2.3 million. There is \$2 million budgeted in this program in 2010-2011.



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**Question:** APD 15 (continued)

2. There has been no movement from Program 1.10 to Program 1.5. Promoting Australian Produce (Major Events) is listed under Program 1.10. Promoting Australian Produce is included under Program 1.5 for all years in the Portfolio Budget Statement.
  
3. In 2008-2009, the departmental costs for administering the Promoting Australian Produce program were under a single cost code. For 2009-2010, the departmental costs for this program and Regional Food Producers Innovation and Productivity Program have been merged into a single cost centre to simplify administration and accounting. The following has been spent:

2008-2009: \$50 000

2009-2010 (to date): both programs \$334 000

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**Question:** APD 16

**Division/Agency:** Agricultural Productivity Division

**Topic:** AAA program expenditure

**Hansard Page:** Written

**Senator Colbeck asked:**

1. Could the Department please provide a full breakdown of expenditure on the following programs – broken down by financial year (including 2008-2009 and 2009-2010), recipient, State (if applicable) and level of funding?
  - AAA Advancing Agricultural Industries
  - AAA Farm Help
  - New Industries Development Program
2. What is the level of funding expended on administration of all of the above programs? (broken down by program and financial year)?

**Answer:**

**AAA Advancing Agricultural Industries**

1. Funding of \$2.372 million and \$0.225 million was allocated to the Advancing Agricultural Industries program in 2008-2009 and 2009-2010 respectively. The program was terminated on 30 June 2009 with all projects completed by that date.

Advancing Agricultural Industries program payments worth a total of \$1.637 million were made in 2008-2009. Table 1 reflects a breakdown of payments by recipient and state for the 2008-2009 financial year. The program terminated on 30 June 2009 and no payments will be made in 2009-2010.

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**Question:** APD 16 (continued)

**Table 1: Actual payments made under Advancing Agricultural Industries in 2008-09**

<b>Recipient</b>	<b>State</b>	<b>\$</b>
<b>Action Grant</b>		
Australian Olive Association Ltd	NSW	70 909
Horticulture Australia Ltd	NSW	200 000
International Livestock Resources & Information Centre Ltd	NSW	250 000
Queensland Fruit and Vegetables Growers Ltd	QLD	70 000
Wine Grape Growers Australia	SA	72 627
Australian Fodder Industry Council	VIC	94 000
Victorian Farmers Federation	VIC	6 718
Winemakers of Rutherglen Inc.	VIC	200 000
Vegetables Western Australia	WA	11 800
Western Dairy Inc.	WA	3 867
		<b>979 921</b>
<b>Rural Indigenous Engagement Pilot grant</b>		
Kailag Enterprises Pty Ltd	QLD	38 201
Culpra Mili Aboriginal Corporation	VIC	14 491
Goulburn Ovens Institute of Tafe	VIC	48 000
Ngalang Boodja Council Aboriginal Corporation	WA	37 505
		<b>138 196</b>
<b>Rural Leadership Development Sponsorships</b>		
Indigenous participant in ARLP	ACT	46 000
Primary Industries Education Foundation	NSW	75 000
Australian Year of the Farmer	NSW	33 009
Agforce - shearing	QLD	985
ABC Rural - Heywire	VIC	20 000
Gippsland Women's Association	VIC	455
		<b>175,449</b>
<b>Agfund grant</b>		
AgVance Farming	NSW	3376
Alma Park Pleasant Hills Landcare Group	NSW	15 000
Eco5 Milk Innovation Network	NSW	11 495
Liverpool Plains Land Management Committee	NSW	15 000
Blackall and Benlidi BestPrac Group	QLD	14 932
Nursery & Garden Industry Queensland	QLD	11 064
Q Group	QLD	15 000
Queensland Citrus Growers Inc	QLD	13 500

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South East Queensland QDO District Council	QLD	13 882
Subtropical Dairy Program Ltd	QLD	12 727
The Leucaena Network	QLD	1406

**Table 1: Actual payments made under Advancing Agricultural Industries in 2008-09 (cont.)**

<b>Recipient</b>	<b>State</b>	<b>\$</b>
<b>Agfund grant (continued)</b>		
Wide Bay-Burnett QDO District Council	QLD	13 882
Darling Downs free range egg producers	QLD	14 544
AgriExchange Farm Management Pty Ltd	SA	7711
Flinders Ranges Premium Grain Pty Ltd	SA	8559
SA Lamb Development Team	SA	11 860
South Australian No-Till Farmers Association Inc	SA	13 636
Tasmanian Abalone Council	TAS	7140
Birchip Cropping Group	VIC	14 900
GippsDairy	VIC	6 518
Gippsland Herd Improvement	VIC	13 225
Mallee Agricultural Research Foundation	VIC	15 000
Mallee Sustainable Farming Inc	VIC	15 000
Mudgegonga & District Landcare Group Inc	VIC	12 593
North East Merino Breeders	VIC	4976
Riverina & North East Cereals c/o Mr Good Buns	VIC	764
Southern Farming Systems – Gippsland Branch	VIC	6000
Wimmera Mallee Future Farming Group	VIC	14 169
Darkan Farm Management Advisory Service	WA	6600
Liebe Group	WA	14 401
Margaret River Wine Industry Association	WA	15 000
		<b>343 860</b>
<b>Total payments Advancing Agricultural Industries</b>		<b>1 637 426</b>

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2. The estimated cost of administering the Advancing Agricultural Industries Program is \$0.300 million in 2008-2009 and \$0.028 million in 2009-2010 (for finalisation of reporting requirements).

**AAA-FarmHelp**

1. Funding of \$1.385 million was allocated to the AAA-FarmHelp Program in 2008-2009. The program finished on 30 June 2009. However, there may be some residual expenditure due to payment adjustments and outcomes of potential appeals that will be offset with savings from other programs within the department. There is no funding allocation for 2009-2010 as the program has finished.

FarmHelp payments worth a total of \$1.827 million were made in 2008-2009. See Table 2 below. There is no expenditure for 2009-2010 as the program ceased on 30 June 2009.

**Table 2: Actual payments made under FarmHelp in 2008-09**

<b>NSW/ACT</b>	<b>QLD</b>	<b>VIC</b>	<b>SA</b>	<b>WA</b>	<b>TAS/NT</b>	<b>Unknown^</b>	<b>TOTAL</b>
\$272,966	\$909,500	\$381,655	\$90,271	\$80,616	\$33,630	\$58,351	\$1,826,990

*Source: Centrelink / DAFF*

^Unknown figures reflect accrual adjustments made by Centrelink which cannot be attributed to specific states.

2. \$3.704 million was provided by the department to Centrelink for administering FarmHelp, the Climate Change Adjustment Program and the Transitional Income Support Program in 2008-09. This department does not have data on the split of administrative costs between each program. Administration costs for 2009-10 were directly appropriated to Centrelink.

**AAA-New Industries Development Program**

1. The New Industries Development Program was cancelled in 2007. Program funding in 2008-2009 to finalise existing contracts was \$0.180 million with no funding in 2009-2010.

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Total final payments made under the New Industries Development Program in 2008-2009 was \$0.066 million. Table 3 reflects a breakdown of payments by recipient and state for 2008-2009. There is no funding provided for 2009-2010 as the program ceased on 30 June 2009.

**Table 3: Actual payments made under New Industries Development Program in 2008-09**

<b>Recipient</b>	<b>State</b>	<b>\$</b>
<b>In-Market Experience Scholarships:</b>		
Backcreek Country Enterprises	NSW	4500
Galeru Pty Ltd	QLD	4500
Eva David Lingerie (Scope Unlimited Pty Ltd)	NSW	4500
Yuruga Nursery Pty Ltd	QLD	326
Angela's Garden	WA	4500
Pepo Pty Ltd	QLD	2233
	<b>Total In-Market</b>	<b>20 559</b>
<b>Pilot Commercialisation Projects:</b>		
Flinders Ranges Premium Grain Pty Ltd (FRPG)	SA	11 091
Greenacres Turf Farm Pty Ltd	WA	10 000
Keilor Valley Gardens Pty Ltd	VIC	10 000
Kimberley Timber Corporation Limited (KTC)	WA	10 000
Stephen Pasture Seeds Pty Ltd	VIC	5000
		<b>46 091</b>
	<b>Total Payments</b>	<b>66 650</b>

2. The cost of administering the New Industries Development Program in 2008-09 was \$0.062 million.

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**Question:** APD 17

**Division/Agency:** Agricultural Productivity Division

**Topic:** FarmReady

**Hansard Page:** Written

**Senator Colbeck asked:**

1. Could the Department please provide a full breakdown of expenditure on the following programs – broken down by financial year (including 2008-2009 and 2009-2010), recipient, State and Electorate (if applicable) and level of funding?
  - FarmReady Reimbursement Grants
  - FarmReady Industry Grants
2. What is the level of funding expended on administration of all of the above programs? (broken down by program and financial year)?

**Answer:**

1. Administered expenditure under the FarmReady Reimbursement Grants was \$1.836 million in 2008–2009 and \$2.650 million in 2009–2010 (up until 31 October 2009).  
FarmReady Reimbursement Grants are paid to individuals and the provision of recipient names would contravene the department’s obligations under the *Privacy Act 1988*. Data is not collected on an electorate basis for FarmReady Reimbursement Grants.

A table providing recipient details by State and electorate for FarmReady Industry Grants is at [Attachment A](#).

Level of Funding

FarmReady Reimbursement Grants and FarmReady Industry Grants are funded from the Climate Change Adaptation Partnership Program (CCAPP). There is an internal allocation within CCAPP of \$4.1 million in 2008-2009 and \$7.0 million in 2009-2010 for the FarmReady grants.

2. Departmental costs in establishing FarmReady and administering FarmReady Reimbursement Grants and FarmReady Industry Grants in 2008-2009 was \$0.974 million. Departmental costs in administering FarmReady Reimbursement Grants and FarmReady Industry Grants in 2009–2010 was \$0.248 million (to 31 October 2009).

The department has contracted an external service provider to provide an administrative service for FarmReady Reimbursement Grants. The cost of this service in 2008-2009 was \$0.401 million and in 2009-2010, \$0.144 million (up until 31 October 2009).

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**Attachment A**

**Question: APD 17 (continued)**

#### FarmReady Industry Grants

Recipient Organisation	State	Level of Funding Approved (up to )	Electorate	Grant payments made 2008-09 financial year	Grant payments to Oct 2009-10 financial year
CaneGrowers	QLD	\$71,400.00	BRISBANE	\$ 15,900.00	\$ 14,500.00
Y.V Fresh Pty Ltd	VIC	\$61,450.00	CASEY	\$ 33,500.00	
Macalister Research Farm Cooperative Ltd T/A Macalister Demonstrations	VIC	\$45,850.00	GIPPSLAND	\$ 9,660.00	\$ 11,410.00
Northern Tasmania Natural Resource Management Association Inc	TAS	\$80,000.00	BASS	\$ 35,000.00	
Cradle Coast Authority	TAS	\$240,000.00	BRADDON	\$ 36,000.00	
Tasmanian Seafood Industry Council	TAS	\$67,850.00	DENISON	\$ 20,800.00	
The Liebe Group Inc	WA	\$228,500.00	DURACK		\$ 44,500.00
Gillamii Centre	WA	\$240,000.00	O'CONNOR	\$ 56,000.00	
Upper South East Beef Group	SA	\$80,000.00	BARKER	\$ 8,668.00	
Agriculture Kangaroo Island Incorporated (AgKI)	SA	\$178,950.00	MAYO	\$ 30,000.00	
Murray Goulburn Co-Operative Co Ltd- Field Services Division	VIC	\$150,000.00	MELBOURNE & WILLS	\$ 17,500.00	\$ 57,500.00
Subtropical Dairy Programme Ltd	QLD	\$239,300.00	BLAIR	\$ 29,748.00	
Bestprac Network	SA	\$156,000.00	WAKEFIELD	\$ 17,000.00	\$ 23,000.00
South Australian Aquaculture Council	SA	\$160,000.00	KINGSTON		\$ 31,545.00
Toowoomba Focus Group	QLD	\$202,600.00	MARANOVA	\$ 17,700.00	
Southern Farming Systems	VIC	\$220,000.00	CORIO	\$ 55,000.00	
Victorian Farmers Federation	VIC	\$250,000.00	MELBOURNE	\$ 40,000.00	
Ricegrowers' Association of Australia	NSW	\$80,000.00	RIVERINA	\$ 14,000.00	\$ 26,000.00
CQ Best Practice Group	QLD	\$158,000.00	FLYNN	\$ 22,000.00	
Victorian Abalone Divers Association Inc (VADA)	VIC	\$79,665.45	WANNON	\$ 54,465.00	\$ 14,900.00
Apple and Pear Australia Ltd	VIC	\$20,000.00	MELBOURNE	\$ 18,000.00	
South Australian No-Till Farmers Association Inc (SANTFA)	SA	\$76,000.00	WAKEFIELD	\$ 14,000.00	\$ 14,000.00
Murray Dairy Inc.	VIC	\$140,000.00	MURRAY		\$ 23,000.00
Gilbert Agribusiness Group Incorporated	SA	\$201,000.00	WAKEFIELD	\$ 28,000.00	
Mary River Catchment Co-ordinating Committee	QLD	\$108,850.00	WIDE BAY	\$ 23,850.00	
Queensland Dairyfarmers Organisation	QLD	\$238,350.00	BRISBANE	\$ 41,520.00	
Dairy SA Regional Development Program	SA	\$55,500.00	BARKER	\$ 10,000.00	\$ 31,000.00
Cherry Growers of Australia Inc	SA	\$210,000.00	PORT ADELAIDE	\$ 50,000.00	
Mid Goulburn Broken Catchment Landcare network T/A Gecko CLaN	VIC	\$32,000.00	INDI		\$ 9,500.00
Organic Federation of Australia	NSW	\$239,050.00	COWPER	\$ 79,700.00	
South East Prime Livestock Achievers	SA	\$22,500.00	BARKER	\$ 7,500.00	
Loxton to Bookpurnong Local Action Planning Committee Incorporated	SA	\$160,000.00	BARKER	\$ 64,000.00	
Murilla Landcare Group Inc.	QLD	\$75,000.00	FLYNN & MARANOVA	\$ 29,715.00	
Queensland Turf Producers Association	QLD	\$40,710.00	BOWMAN		\$ 15,280.00
AgForce Queensland	QLD	\$211,300.00	BRISBANE	\$ 36,300.00	
Lismore Land Protection Group	VIC	\$153,247.00	WANNON		\$ 24,305.00
Dairy NSW Ltd	NSW	\$87,380.00	PARKES	\$ 12,000.00	
Gwydir Valley Irrigators Association Incorporated	NSW	\$10,000.00	PARKES		\$ 5,000.00
Jefferies Group	SA	\$62,240.00	PORT ADELAIDE	\$ 9,250.00	
Grain Growers Association	NSW	\$240,000.00	BENNELONG	\$ 80,000.00	
Tamar Region Natural Resource Management Strategy Reference Group Inc.	TAS	\$34,650.00	BASS	\$ 5,000.00	
Western Australian Pork Producers' Association (WAPPA)	WA	\$190,000.00	SWAN	\$ 40,000.00	
Fitzroy Basin Elders Committee Inc	QLD	\$138,500.00	CAPRICORNIA	\$ 21,000.00	
New South Wales Irrigators' Council	NSW	\$65,000.00	SYDNEY	\$ 25,000.00	
Burgoogee Creek Landcare Group	VIC	\$225,528.00	INDI	\$ 55,528.00	
National Association of the Forest Industries (NAFI)	ACT	\$240,000.00	CANBERRA	\$ 40,000.00	
Program Evaluation	DAFF				\$ 11,000.00
		\$6,266,370.45		\$ 1,203,304.00	\$ 356,440.00



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**Question:** APD 18

**Division/Agency:** Agricultural Productivity Division

**Topic:** Research/development assisting in expanding Australia's capacity to produce more food.

**Hansard Page:** Written

**Senator Back asked:**

On World Food Day, the Minister has made comments in the media that overcoming food shortages around the world will require "every possible path of scientific research" and that the world wouldn't be able to sustain the projected population growth based on the amount of food produced at present.

What research / development can you point to that will assist in expanding our capacity to produce more food?

**Answer:**

A significant proportion of rural research and development (R&D) expenditure goes towards expanding the capacity of Australian producers to produce food. This expenditure includes but is not limited to R&D in areas such as biotechnology, new crop varieties and climate change adaptation. The government is conscious of the need to ensure that the Australian primary industries sector can meet the challenges of climate change and food security. In this regard, the research and development corporations and industry-owned companies (RDCs) are required to address the government's National Research Priorities and Rural Research and Development Priorities. These aim to lift agricultural productivity in the face of climate change to enhance food security. The Rural Research and Development Priorities include:

- improving the productivity and profitability of existing industries and supporting the development of viable new industries.
- building resilience to climate variability and adapting to and mitigating the effects of climate change.
- supporting the Rural Research and Development Priorities through:
  - Improving the skills to undertake research and apply its findings.
  - Promoting the development of new and existing technologies.

In 2009-2010, the government expects to provide about \$202 million in matching contributions to rural RDCs.

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**Question:** APD 19

**Division/Agency:** Agricultural Productivity Division

**Topic:** Food Standards Code

**Hansard Page:** Written

**Senator Nash asked:**

I refer you to the Document 'Labor's Plan for Primary Industries', Election 2007; Page 20 which states;

*Consideration of amendments to the Food Standards Code to clarify country of origin labelling requirements.*

1. What 'Consideration' has the department undertaken to clarify country of origin labelling requirements?
2. What are the current requirements for the country of origin labelling on fresh food and on processed food?
3. Is it currently possible of a consumer to find out where processed food which is labelled 'packaged in Australia from import products' comes from?
4. How would the consumers find out where the imported products came from?
5. Is it possible for the department to find out where the imported products came from?
6. Has the department undertaken any work or training exercises on being able to trace back and trace forward ingredients used in processed food?
7. Who within the Department has been talking to Treasury about amending the Trade Practices Act? When were these discussions held?

**Answer:**

- 1 – 6. Refer response to Product Integrity and Animal Plant Health Question 18 to Senator Williams in *Additional Estimates* February 2009 (attached).
7. Senior officers from the Department of Agriculture Fisheries and Forestry (DAFF) met with senior Australian Competition and Consumer Commission (ACCC) officials on 29 August 2008. DAFF departmental officials and officials from the Department of Innovation, Industry, Science and Research (DIISR) met on 1 October 2009 to further discuss implications of including a 'Grown in ...' safe harbour defence for food products in the Trade Practices Act.

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**Question:** APD 20

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Simplify and Strengthen Food Labelling Laws  
**Hansard Page:** Written

**Senator Nash asked:**

I refer you to the Document 'Labor's Plan for Primary Industries', Election 2007; Page 19 which states;

*'A Rudd Labor Government will simplify and strengthen food labelling laws. This will include;*

*A new 'Grown in Australia' label under the Trade Practices Act for products that are not only made in Australia, but also grown in Australia.*

1. What work has been undertaken on developing a new 'Grown in Australia label'?
2. Who within the Department is undertaking the work?
3. What consultations and with whom have they been held in relation to the Grown in Australia label?
4. When will the label 'Grown in Australia' be introduced?
5. What products will the label apply to?
6. Will it be compulsory for all food retail and wholesale outlets to display the label?
7. What is the expected cost to food manufacturers?
8. Who within the Department has been talking to Treasury about amending the Trade Practices Act?
9. When were these discussions held?

**Answer:**

1. Senior officers from the Department of Agriculture Fisheries and Forestry (DAFF) met with senior Australian Competition and Consumer Commission (ACCC) officials on 29 August 2008 to discuss the viability of amending the Trade Practices Act (TPA).

DAFF departmental officials and officials from the Department of Innovation, Industry, Science and Research (DIISR) met on 1 October 2009 to further discuss implications of including a 'Grown in ...' safe harbour defence for food products in the TPA. DIISR in consultation with the ACCC are working to provide options for the implementation of the election commitment, including possible amendments to the TPA.

2. The Agricultural Productivity Division

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3. See answer to Question 1.
4. The possible introduction of a new *Grown in Australia* label is subject to the outcomes of discussions regarding possible amendments to the Trade Practices Act.
5. The scope of any new *Grown in Australia* label would need to be considered pending the outcomes of discussions regarding possible amendments to the Trade Practices Act
6. See answer to Question 5.
7. Costs associated with any possible introduction of a new *Grown in Australia* label would depend on the scope of coverage.
8. See answer to Question 1.
9. See answer to Question 1.

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**Question:** APD 21

**Division/Agency:** Agricultural Productivity Division

**Topic:** Food Labelling

**Hansard Page:** Written

**Senator Nash asked:**

I refer you to the Document 'Labor's Plan for Primary Industries', Election 2007; Page 20 which states;

*'Strengthening compliance arrangements'*

1. What work has the Department undertaken to strengthen food labelling compliance arrangements?
2. Has the department made any inspections of major retailers to ensure they are labelling country of origin the food properly?
3. Who within the Department has been talking to Treasury about amending the Trade Practices Act? When were these discussions held?

**Answer:**

1. The department participates as part of the Australian Government in the Food Regulation Standing Committee and its Implementation Sub-Committee (ISC) and encourages consistent implementation and enforcement of food standards, including food labelling by states and territories who are responsible for ensuring that all foods, whether imported or locally produced, comply with all requirements in the Australia New Zealand Food Standards Code.
2. No. Enforcement of food standards including labelling is the responsibility of relevant state and territory agencies.
3. The Agricultural Productivity Division. 29 August 2008 and 1 October 2009

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**Question:** APD 22

**Division/Agency:** Agricultural Productivity Division

**Topic:** Horticulture Code of Conduct

**Hansard Page:** Written

**Senator Nash asked:**

1. Is the Department satisfied that the Horticultural Code of Conduct is achieving its aim?
2. Is the Department aware of any reviews in the Horticultural Code of Conduct by the ACCC?
3. Has or will the Department be contributing to this review?
4. Has the Department undertaken any independent inspections of the markets to ensure the code is operating effectively?
5. Is the Department aware of any industry concerns that the Government is attempting to water down the code?
6. When will the Government be releasing its response to the Horticultural Code of Conduct by ACCC?
7. When was the industry consultation completed on the Government's response?
8. Hasn't the report been sitting on the Minister's desk for over two months? When will the report be released?

**Answer:**

1. The Horticulture Code of Conduct (the Code) aims to improve the clarity and transparency of transactions between growers and wholesalers of fresh fruit and vegetables and provide a fair and equitable dispute resolution procedure. As part of its inquiry into the competitiveness of retail prices for standard groceries the Australian Competition and Consumer Commission (ACCC) assessed the effectiveness of the Code. The ACCC considered that it is difficult to assess the effectiveness of the Code, given it has only been in place for a short period of time. However, it did make recommendations to enhance the operation of the Horticulture Code of Conduct.

The government asked the Horticulture Code Committee (the Committee) to consider the ACCC's recommendations and it has reported to the government.

The government will consider the ACCC recommendations and the committee's advice.

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**Question:** APD 22 (continued)

2. The department is aware of the review of the Horticulture Code of Conduct conducted by the Australian Competition and Consumer Commission (ACCC). On 22nd January 2008 the Assistant Treasurer and Minister for Competition Policy & Consumer Affairs requested that the ACCC hold a public inquiry into the competitiveness of retail prices for standard groceries pursuant to Part VIIA of the Trade Practices Act 1974. The ACCC provided its report on 31 July 2008 and made 13 recommendations to improve the code's effectiveness as part of this review. The Minister for Agriculture, Fisheries and Forestry re-established the Horticulture Code Committee in October 2008 to advise the Australian Government on the implementation of the ACCC recommendations. This report has since been publicly released.
3. The department responded to this question in the May 2009 Budget Estimates, Question: APD28.
4. The department responded to this question in the May 2009 Budget Estimates, Question: APD29.
5. The department responded to this question as per Hansard page 154 (26/05/09)
6. The government is in the process of considering its response to the Australian Competition and Consumer Commission Horticulture Code of Conduct recommendations. The government response will be informed by the advice from the Horticulture Code Committee.
7. A Horticulture Code Committee was re-established by the Minister for Agriculture, Fisheries and Forestry to advise on the implications of implementing the Australian Competition and Consumer Commission (ACCC) recommendations to amend the Horticulture Code. The Committee undertook extensive consultation with industry in the preparation of its report, with submissions from all sectors of the horticulture industry. The report was provided to the Minister on 14 September 2009.
8. The Minister publicly released the report on 1 November 2009.

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**Question:** APD 23

**Division/Agency:** Agricultural Productivity Division  
**Topic:** National Food Chain Safety and Security Strategy  
**Hansard Page:** Written

**Senator Nash asked:**

I noticed in 2006 the previous Coalition Government launch National Food Chain Safety and Security Strategy. It was titled "A National Strategy for enhancing the safety and security of our food supply" it essentially aims at managing risks associated with food supply. Now three years on I would like to ask some questions regarding ongoing strategies that are being implemented.

One of the strategies listed was a commitment to undertake regular food supply chain safety and security exercises to assess plans and arrangements.

1. Are you able to tell me when the last exercise had taken place?
2. How often are they undertaken?

**Answer:**

1. A desk top exercise was conducted in July 2007 to consider the risk of a severe human influenza pandemic and its potential impact on aspects of maintaining continuity of the food supply.

In May 2009, representatives of the three major retailers conducted a trial of various health and hygiene options and arrangements for staff and customer safety should they be required during a human influenza pandemic.

2. Exercises are undertaken on an irregular basis.



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**Question:** APD 24

**Division/Agency:** Agricultural Productivity Division  
**Topic:** National Food Chain Safety and Security Strategy  
**Hansard Page:** Written

**Senator Nash asked:**

The strategy also called for industry and government to continue to review the adequacy of existing plans and protocols to identify gaps and what could be done to improve arrangements. This required an inventory of current plans and protocols.

1. Has the inventory of plans and protocols been undertaken?
2. How often is the inventory up dated?

**Answer:**

1. The Department of Agriculture, Fisheries and Forestry maintains information on national planning arrangements for responding to animal health, plant health, aquatic animal health, food safety, livestock export, human influenza and departmental business continuity.
2. The department monitors developments and changes in the plans and or protocols relevant to each type of incident and the information is updated as plans are amended to ensure we are working with the current version of each particular plan or protocol.

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**Question:** APD 25

**Division/Agency:** Agricultural Productivity Division  
**Topic:** National Food Chain Safety and Security Strategy  
**Hansard Page:** Written

**Senator Nash asked:**

I was interested to read that it was recommended that supporting research be encouraged for improved abilities to trace food, ingredients and products through the food chain.

What assistance is the government providing to improve abilities to track and trace products?

**Answer:**

A system of track and trace capabilities, including food recall procedures and the National Food Incident Response Protocol, is in place. The government works with industry in reviewing these arrangements on an ongoing basis to ensure the system is appropriate in meeting the current level of incidents of accidental contamination and the current intelligence assessment of the threat of deliberate contamination incidents.

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**Question:** APD 26

**Division/Agency:** Agricultural Productivity Division  
**Topic:** Primary Industries Education Foundation  
**Hansard Page:** Written

**Senator Colbeck asked:**

1. What has been the Department's total financial contribution to the Primary Industries Education Foundation?
2. What is the contribution of industries?
3. Any other sources of funding?
4. How will the Department measure the progress of the foundation?

**Answer:**

1. The Department has contributed an annual membership payment of \$75,000 (GST exclusive) to the Primary Industries Education Foundation (PIEF) and plans to contribute a further \$100,000 (GST exclusive) for activities that align with government target outcomes.
2. As of 6 November 2009 PIEF has obtained financial contributions of \$165,000 from industry.
3. It is anticipated that PIEF will also receive nominal funds from educational institutions and organisations. The membership fee for these organisations is expected to be approximately \$500.
4. As part of the funding process the Foundation will be required to report on the key outcomes and ensure activities align with the following objectives to:
  - commission, co-ordinate, facilitate and manage national projects to encourage primary industries education in schools
  - provide a source of credible, objective and educational resources for schools to maintain and improve community confidence in Australia's primary industries
  - communicate primary industries research and development outcomes in a format accessible for schools and encourage interest within schools in primary industries related careers.