



Australian Government
**Department of Agriculture
and Water Resources**

Senator Barry O'Sullivan
Chair
Rural and Regional Affairs and Transport Legislation Committee
Parliament House
Canberra ACT 2600

Dear Chair

At the February 2016 Additional Estimates hearing, Senator Joe Bullock requested the department provide a detailed breakdown of expenditure relating to meetings of the Agricultural Industry Advisory Council (AIAC) prior to each Rural and Regional Affairs and Transport Legislation Committee hearing.

A summary of costs for AIAC meetings held between January 2014 and February 2018 were previously provided to the committee. The last report was provided on 9 May 2018. Since then the Minister for Agriculture and Water Resources, the Hon. David Littleproud MP has appointed a new AIAC. The first meeting for the new AIAC was held on 22 June 2018 in Canberra. The total cost for this meeting was \$13,726.32 and details are provided at [Attachment A](#). The next meeting is scheduled for 16 November 2018.

A summary of implemented Agricultural Competitiveness White Paper measures was provided to the committee prior to the Additional Estimates in May 2018. Implementation of the programs and policies under the white paper are progressing well. 26 of the 31 measures are now considered implemented. The current status of individual measures is provided at [Attachment B](#).

I trust this information is of assistance in supporting the committee's preparations for its next hearing.

Yours sincerely

Melissa Brown
Assistant Secretary
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Corporate Strategy and Governance Division

5 October 2018

CANBERRA, ACT

22 June 2018

MEETING COSTS

Number of meeting attendees - 16

Event incidental expenses	
Accommodation	\$ 2,642.24
Flights & QBT fees	\$ 6,300.64
Staff incidentals*	\$ 0.00
Members' incidentals*	\$ 613.33
Total	
Other costs associated with meeting	
Venue	\$ 0.00
Catering	\$ 1754.11
Meals (including non-alcoholic beverages)	\$ 1918.00
Alcoholic beverages	\$ 348.00
Equipment	\$ 150.00
Transport	\$ 0.00
Total	
Total	

***Incidentals include meal costs when a meal is not provided as part of a member's attendance at a meeting and transport expenses such as taxis, parking and mileage.**

Total attendance at events:

Meeting - 16 persons

Dinner - 13 persons

Networking function - 3 persons

Agricultural Competitiveness White Paper - Status Update October 2018			Attachment A
Measure No.	Measure	Status	Update
Building the Infrastructure of the 21st century			
1	National Water Infrastructure Development Fund	Ongoing	Following the ministerial changes in December 2017, this measure is now the portfolio responsibility of Minister McVeigh, under the Department of Infrastructure, Regional Development and Cities.
11	Freight modelling for agriculture—expand CSIRO's TransIT	Implemented	A final report was submitted to the Department of Agriculture and Water Resources in June 2017, and was released late 2017.
A fairer go for farm businesses			
2a	PC inquiry into regulations affecting agriculture	Implemented	The PC inquiry into Agriculture commenced in November 2015. The Commission published its draft report on 21 July 2016, which was handed to the government in November 2016.
2b	PC inquiry into regulations affecting fisheries	Implemented	The PC publicly released the report of its inquiry into Marine Fisheries and Aquaculture on 23 May 2017. The government released its response to the report on 23 May 2017 and will continue to work with jurisdictions to develop a collaborative cross-jurisdictional strategy for progressing relevant recommendations.
3	Reforms to country of origin labelling	Implemented	The new reforms commenced on 1 July 2016. Business had until 1 July 2018 to transition to the new labels.
4	Streamlining the regulation of Agvet chemicals	Ongoing	The Agricultural and Veterinary Chemicals Legislation Amendment (Operational Efficiency) Bill 2017 was introduced to Parliament on 25 October 2017. Consultation on a second Bill has concluded and the Bill will be introduced to Parliament at the end of 2018.
5	Cooperatives and innovative business model knowledge	Implemented	On 14 April 2016, the then Minister for Agriculture and Water Resources announced in Lismore that Southern Cross University would deliver the Farm Co-operatives and Collaboration Pilot Program.
6	ACCC engagement in agricultural sector	Implemented	Through the establishment of an Agriculture Unit and the appointment of Commissioner Mick Keogh, the ACCC has substantially increased its engagement with the sector.
7	Changes to income tax averaging for farmers—allowing opt-in	Implemented	Enacting this measure required amendments to the <i>Income Tax Assessment Act 1997</i> . The Bill making these amendments was given Royal Assent on 28 February 2017
8	Farm Management Deposits (FMD) — Increasing the deposit limit to \$800 000	Implemented	Eligible farmers can hold up to \$800,000 in FMDs, doubling the amount they could hold prior to the change.
9	Farm Management Deposits (FMD) — Allowing loan offset	Implemented	From 1 July 2016, banks have been able to offer FMD accounts that allow farmers to use them to offset the interest costs of their farm business borrowings.
10	Simplified accelerated depreciation—fencing	Implemented	On 12 May 2015, as part of the 2015–16 Budget, the government announced improved accelerated depreciation arrangements for fencing, fodder storage infrastructure and water facilities.
Strengthening our approach to drought and risk management			
12	Better Seasonal Forecasting	Implemented	The Bureau of Meteorology's (BoM's) fully updated long-range forecast service will be operational by June 2019.
13	Tax arrangements for water facilities and fodder storage	Implemented	Measure considered implemented as at May 2015. On 12 May 2015, as part of the 2015–16 Budget, the government announced improved accelerated depreciation arrangements for water facilities, fodder storage infrastructure and fencing.
14	Managing Farm Risk Programme	Implemented	On 29 March 2016, the then Minister for Agriculture and Water Resources announced the commencement of the Managing Farm Risk program and applications opened.
15a	Transitional drought and drought recovery concessional loans	Implemented	The Drought Concessional Loans Scheme was available in all states and the NT (except ACT) in 2015–16. The Drought Recovery Concessional Loans Scheme was open for applications in NSW, Qld, Tas and SA in 2015–16. Both schemes closed for applications on 31 October 2016, except in WA where the Drought Concessional Loans Scheme was extended until 30 June 2017.
15b	Drought Concessional Loans Scheme—Ongoing arrangements	Implemented	The Farm Business Concessional Loans Scheme 2016–17 commenced on 1 November 2016. The 2017–18 scheme commenced on 1 July 2017 and included a new loan type – Business Improvement Concessional Loans. While this measure is considered implemented, with applications closing on 30 June 2018, ongoing funding will extend beyond the scheme.
16	Farm Management Deposits—early access provisions in drought	Implemented	From 1 July 2016, farmers have been able to withdraw their FMDs within 12 months without losing any taxation concessions already claimed through their tax return if they have been affected by drought.
17	Increased case management—Farm Household Allowance	Implemented	The measure came into effect on 1 July 2016. The additional \$1,000 activity supplement will be used for activities that will demonstrably improve a recipient's self-reliance and assist them to transition off their Farm Household Allowance entitlement.
18	Advice and assistance from the Australian Taxation Office to taxpayers in drought	Implemented	A hotline for drought-affected taxpayers was implemented in January 2016. The ATO can help drought-affected tax payers by allowing more time to pay tax debts without incurring interest charges; arranging for tax debts to be paid in instalments without incurring interest charges; and, in special circumstances, the Commissioner for Tax may release individuals from payment of some taxes where it is shown that payment would cause serious hardship.

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19	Additional resources to Rural Financial Counselling Service	Implemented	The then Minister for Agriculture and Water Resources allocated the full amount, spread over three tranches, to enable funds to be targeted to where they were most needed. The additional \$1.8 million allocated in the 2015–16 financial year allowed providers to recruit new staff or increase the hours of part-time staff. The May 2016 Budget delivered an extra \$7.07 million.
20	Enhanced social and community support	Implemented	This measure has successfully enabled agencies to identify and assist farmers and farm families in need of support and referral to clinical services. The government continues to provide a range of services to support drought-affected farmers and farming families.
21	Drought Communities Programme	Implemented	The program is providing support to 23 local government areas through their shire councils across Qld, NSW and Vic. As at 31 March 2018, 118 project proposals have been approved (81 from Qld, 18 from NSW and 19 from Vic) across all councils. The approved projects have a total value of over \$28.6 million.
22	Pest animal and weed management in drought-affected areas	Implemented	In 2015–16, \$15 million in government funding was provided to Qld, NSW, Vic, SA and WA for state-based programs to reduce the impact of pest animals and weeds in drought affected areas. \$4 million was provided in 2016–17 for Qld, NSW, Vic, SA and WA to continue programs. \$4 million was provided in 2017–18 for Qld, NSW, SA and WA to continue programs. A further \$2 million is available in 2018–19, with the states to receive funding and the allocations yet to be determined.
Farming Smarter			
23	Clearer research, development and extension (RD&E) priorities	Implemented	The 15 Rural Research and Development Corporations (RDCs) have adopted the new rural RD&E priorities, which target on-farm technologies and practices that deliver farm gate returns.
24	Extend Rural Research and development (R&D) for Profit programme	Implemented	Funding of \$114.7 million (GST exclusive) has been provided for 36 projects under rounds one, two and three of the Rural R&D for Profit program. Round 4 applications opened on 10 August 2018, and close on 5 November 2018. Up to \$35 million (GST exclusive) will be allocated. Projects may run over multiple years, but must end by 30 June 2022.
25	Improve efficiency of Research and Development Corporations—governance	Implemented	The government works with RDCs to improve governance so that farmers and the community receive maximum value for their investment in RD&E.
26a	Funding to the Rural Industries Research and Development Corporation (RIRDC) for research, development and extension for small industries	Implemented	This measure is being delivered as part of the department's regular six-monthly appropriation payments to RIRDC, and began July–August 2016.
26b	Levies—tea tree oil	Implemented	The Levy commenced on 1 July 2017. The government has committed \$140,000 annually for matched funding from 2017–18.
26c	Levies—export fodder	Implemented	The new levy commenced on 1 July 2016, with the first levy payment made in October 2016 for the July quarter.
27	Boost emergency pest and disease eradication	Implemented	The department will use \$10.5 million to provide emergency pest and disease response funding over four years (2015–16 to 2018–19). From 2019–2020 onwards, the IAF is an ongoing program.
28	Manage established pest animals and weeds	Ongoing	Twenty three successful projects were announced by the then minister on 2 May 2017, with 22 grant agreements (two projects were combined) totalling about \$10.4 million contracted. \$6.364 million was reappropriated to Treasury for SPP188 –pest and disease preparedness and response programs (state funding agreements).
Accessing Premium Markets			
29	Technical barriers to trade (new agricultural counsellors)	Implemented	The department's overseas agriculture counsellor network has been expanded and strengthened in key markets to promote Australian agriculture and deliver better market access for industry. The agricultural counsellor network has contributed to significant improvements in market access and trade arrangements, contributing to resulting in 162 market access wins since January 2016.
30a	Strengthening Australia's Biosecurity—Surveillance	Ongoing	Developed a national framework for plant biosecurity surveillance and improved biosecurity awareness through new communications material and biosecurity champions.
30b	Strengthening Australia's Biosecurity—Community-based action	Ongoing	30 additional Aboriginal & Torres Strait Islander Ranger groups (on top of existing 40) who have agreed to assist with biosecurity work across northern Australia. Specifically in Queensland, there are 24 - with 23 Indigenous Ranger groups on the mainland and one under an exchange of letters with the Torres Strait Regional Authority who oversee 13 Indigenous Ranger groups throughout the Torres Strait.
30c	Strengthening Australia's Biosecurity—Scientific capability	Ongoing	Introduced an improved approach for analysing biosecurity risk – the group pest risk analysis – which will enhance our understanding of major biosecurity pest groups.
30d	Strengthening Australia's Biosecurity—Information and analysis	Ongoing	Work has further progressed on improving biosecurity information and analysis with the final instalment of \$30.9 million released for the Biosecurity Integrated Information System, and the department's Biosecurity Analytics Centre has now been established.
31	Enhanced traceability systems	Ongoing	The Detailed Business Requirements documentation process for the export register, dairy, fish & egg and plant exports have been completed and the capture of Live Animal Export, Wool, Skins & Hides requirements are underway and are scheduled for completion by the end of October 2018.