

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

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2014

**Agriculture**

**Question: 83**

**Division/Agency:** Food Division

**Topic:** Export Certification Registration Rebate

**Proof Hansard page:** written

**Senator LUDWIG asked:**

1. Is there any funding for the export certification registration rebate costs in 2015-16? If so how much?
2. What is a small exporter?
3. What support is there for exporters larger than the small exporter threshold?
4. What are total payments for export certification registration costs? Please provide actual and estimates for forward estimates
5. Please detail the costs associated with export certification registration costs for the department. Each expense and its cost. Please provide actual and estimates for forward estimates
6. What are the projects which will be funded instead of providing rebates?
7. What feedback/submissions/lobbying has the industry provided about the abolition of the rebate scheme? Please provide
8. Is this another broken promise?
9. Why have rebates been abandoned?
10. When was the decision made to abandon rebates?

**Answer:**

1. The government announced \$15 million in funding over four years to help small exporters deal with the cost of export registration fees and charges.
2. The definition of a small exporter is still being considered in consultation with industry consultative committees.
3. Other forms of government assistance for exporters include programs administered by Austrade, please refer to [www.austrade.gov.au/Assistance](http://www.austrade.gov.au/Assistance).
4. Total payments for export certification registration costs are detailed at **Attachment A**.
5. Costs associated with export certification registration costs for the department are detailed at **Attachment B**.
6. Each industry consultative committee will develop a range of projects that target improved market access for small exporters.
7. The response from exporters about the cessation of government rebates at the conclusion of the Export Certification Reform Package on 30 June 2011 was varied with concerns in some sectors about registration costs, and other sectors seeking financial support for a range of activities to enable them to transition to the new arrangements. Industry representatives are broadly supportive of the \$15 million package as announced.
8. No.
9. A rebate to small exporters will be applied in 2014-15.
10. A rebate to small exporters will be applied in 2014-15.

Table 1 – Summary of Program Management and Administration Revenue

Program Management and Administration Revenue					
Cost Recovery Arrangement	2013-14	2014-15	2015-16	2016-17	2017-18
	Forecast Position	Budgeted	Forward	Forward	Forward
	May YTD	Position	Estimate	Estimate	Estimate
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Meat Exports*	15,401	14,195	14,195	14,195	14,195
Seafood and Egg Exports	1,312	1,311	1,311	1,311	1,311
Dairy Exports	1,242	1,222	1,222	1,222	1,222
Grain Exports*	3,781	4,139	4,139	4,139	4,139
Horticulture Exports	1,818	1,936	1,936	1,936	1,936
<b>Total</b>	<b>23,554</b>	<b>22,803</b>	<b>22,803</b>	<b>22,803</b>	<b>22,803</b>

\* Total payments for meat and grain export certification registration include collections from registration and volume charges - refer to cost recovery impact statements for further detail. CRIS's can be located on the department's website: <http://www.daff.gov.au/fees/biosecurityfees-charges/export>.

Table 2 – Summary of Program Management and Administration Expense

Program Management and Administration Expense					
Cost Recovery Arrangement	2013-14	2014-15	2015-16	2016-17	2017-18
	Forecast Position	Budgeted	Forward	Forward	Forward
	May YTD	Position	Estimate	Estimate	Estimate
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Meat Exports	15,604	18,931	19,347	19,773	20,208
Seafood and Egg Exports	1,633	1,720	1,758	1,796	1,836
Dairy Exports	1,139	1,325	1,354	1,384	1,415
Grain Exports	5,244	4,235	4,328	4,423	4,520
Horticulture Exports	4,125	3,648	3,728	3,810	3,894
<b>Total</b>	<b>27,745</b>	<b>29,858</b>	<b>30,515</b>	<b>31,186</b>	<b>31,872</b>

\* Forward estimates assume a static level of trade activity and an annual increase in expenditure of 2.2% in line with current CPI

Table 3 – Detailed breakdown of Program Management and Administration Expense

Expense	2013-14	2014-15	2015-16	2016-17	2017-18
	Forecast Position May YTD	Budgeted Position	Forward Estimate	Forward Estimate	Forward Estimate
<b>Direct</b>	<b>5,854,666</b>	<b>5,405,748</b>	<b>5,524,675</b>	<b>5,646,217</b>	<b>5,770,434</b>
Employee Benefits	4,156,755	4,477,305	4,575,806	4,676,473	4,779,356
Supplier Expenses	1,040,964	894,145	913,817	933,921	954,467
Other Expenses	139,082	11,752	12,011	12,275	12,545
Grants (Tot)	343,636	-	-	-	-
Finance Costs	4,334	1,787	1,826	1,866	1,907
Personal Benefits (Tot)	-	340	348	355	363
Depreciation & Amortisation	44,751	19,716	20,149	20,593	21,046
Write-Down & Impairment Assets	125,142	703	718	734	750
Losses from Asset Sales (Tot)	-	-	-	-	-
<b>Overhead</b>	<b>21,890,040</b>	<b>24,452,204</b>	<b>24,990,152</b>	<b>25,539,935</b>	<b>26,101,814</b>
<b>Total Program Mng &amp; Admin</b>	<b>27,744,705</b>	<b>29,857,952</b>	<b>30,514,827</b>	<b>31,186,153</b>	<b>31,872,248</b>