

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 86

Division/Agency: Farm Support and Forestry Division

Topic: Meeting on white paper regarding the impact of climate change

Proof Hansard page: 42

Senator CAMERON asked:

Senator CAMERON: Can you provide details of the meetings that you have had with the minister on this white paper issue?

Mr Quinlivan: I can certainly provide some details on the first of those three. I am not sure about the second two, whether that is a practical matter or not.

Senator CAMERON: I am not asking you what the advice was. Have you provided advice to the minister regarding the impact of climate change on agricultural competitiveness?

Mr Quinlivan: Framed in those specific terms, I would have to take that on notice. I am not sure that we have in recent times.

Senator CAMERON: Framed in what terms?

Mr Quinlivan: The explicit terms around climate change rather than the practical formulation that we were discussing earlier about its impact on temperature, rainfall and run-off, which are the three practical ways in which those influences are exerted.

Answer:

The department provides ongoing advice to the Minister for Agriculture and Water Resources and his office on climate policy issues and the implications for agriculture. Please refer to Question on Notice 71 from the Supplementary Budget Estimates hearing in October 2015 for further detail on the Agricultural Competitiveness White Paper.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 87

Division/Agency: Farm Support and Forestry Division

Topic: Risk of climate change

Proof Hansard page: 42-43

Senator CAMERON asked:

Senator CAMERON: Has the minister's office or others asked for any advice on the major risks of climate change?

Mr Glyde: Over the course of the last two years?

Senator CAMERON: Yes.

Mr Glyde: I would have to take on notice in terms of what we might have provided over that time.

Answer:

The department regularly provides advice to the Minister for Agriculture and Water Resources and his office on climate policy issues and the implications for agriculture. The advice can be at the request of the office, or initiated by the department.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 88

Division/Agency: Farm Support and Forestry Division

Topic: Implication of climate change

Proof Hansard page: 43

Senator CAMERON asked:

Senator CAMERON: 'It sits behind the work that we do. Other than that, no.' Have you had any written requests from the minister's office for advice on the implications of climate change?

Mr Glyde: I will have to check that, in terms of over the last—

Senator CAMERON: Two years.

Mr Glyde: I would have to check that.

Senator CAMERON: You would not be aware?

Mr Glyde: No.

Answer:

The department provides advice to the Minister for Agriculture and Water Resources and his office on climate policy issues and the implications for agriculture.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 89

Division/Agency: Farm Support and Forestry Division

Topic: Farm sector

Proof Hansard page: 49

Senator CAMERON asked:

Mr Glyde: There are costs in terms of the administration of it and, of course, the capital is tied up in the farm sector. In terms of what appears on the government's books, you do not see \$250 million a year in expenditure.

Senator CAMERON: How much are you seeing?

Mr Glyde: I think what you probably see would be what are the actual costs of running this program, our costs of running that program.

Senator CAMERON: How much is that over the 10 years?

Mr Glyde: I would have to take that on notice. We could ask the Farm Support Division when they appear to see if they have that data. I just do not have it.

Answer:

The final cost of running the ten-year concessional loans scheme is yet to be determined and will be subject to final scheme arrangements and settings which are yet to be agreed.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 90

Division/Agency: Farm Support and Forestry Division

Topic: Rural Adjustment Authorities

Proof Hansard page: 51

Senator CAMERON asked:

Senator CAMERON: Just following on from that, is this \$2.5 billion only for family farms or could a medium sized or large agribusiness seek support through this as well?

Mr Glyde: That is a good question that I do not know the answer to. I would have to defer to my colleagues who are coming later on. They will be able to answer that question.

Senator CAMERON: If they are listening in. The other question that I would ask to give some thought to as well is: if there is a group of family farmers or a family farmer and an agribusiness, on the other hand, and they both make applications for a loan in the same regional area, who makes the assessment about who can get the loan? The family business may be less viable than the agribusiness in the longer term. I think we have canvassed something like this in estimates before. That is the fundamental question for the future of agriculture in this country.

Mr Glyde: The only thing I can add—and I certainly cannot answer the breadth of that question—is that the assessments are done by the rural adjustment authorities that are in each of the states and territories for which we have these loan arrangements. For example, in Queensland there is the Queensland Rural Adjustment Authority. They are the agents who follow the guidelines and make the decisions about who to loan to and for what. As I said, I do not know the specifics of the particular circumstance that you are talking about and I hope we will be in a position to answer that later on this afternoon.

Answer:

The Commonwealth is working with state and territory governments to establish loan conditions and delivery arrangements for the new drought concessional loans scheme from 2016–17. Final scheme arrangements are yet to be agreed.

The guidelines for the 2015–16 Drought Concessional Loans Scheme and Drought Recovery Concessional Loans Scheme define a farm business as a business that:

- a. operates as a sole trader, trust, partnership or private company; and
- b. is involved within the agricultural, horticultural, pastoral, apicultural or aquacultural industries; and

Question: 90 (continued)

- c. is wholly located in Australia; and
- d. is registered for tax purposes in Australia with an Australian Business Number (ABN) and is registered for GST; and
- e. is not a public company under the meaning of Corporations Act 2001 (Cth).

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 91

Division/Agency: Farm Support and Forestry Division

Topic: Loans

Proof Hansard page: 52

Senator WILLIAMS asked:

Senator WILLIAMS: Is it the case that these are 5 and 10 year loans, interest only, so if you lend it out for five years it is going to be interest only coming back, with no principal coming back for at least five years and in some cases 10 years? Is that the case?

Mr Morris: Again, you are getting into the details. I suggest we ask our colleagues. We will take that question, and when our colleagues are on later on today we can put that specifically to them in terms of the operation of the loans.

Answer:

Under the Drought Concessional Loans Scheme, interest only payments are available over the five-year loan term. Under the Drought Recovery Concessional Loans Scheme, interest only payments are available for the first five years of the loan term. From years six to ten, loan recipients will be required to make principal and interest repayments calculated over a ten-year loan term.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 92

Division/Agency: Farm Support and Forestry Division

Topic: Methodology in Preparing for drought

Proof Hansard page: 54

Senator CAMERON asked:

Senator CAMERON: Can you provide details of the methodology that was used to come up with the \$2.5 billion figure?

Mr Morris: As I said, it was based on past experience. That is the methodology.

Senator CAMERON: You did not sit down and go, 'Well, on past experience we'll put \$2.5 billion in here.' There must have been a proper methodology to come up with this figure, otherwise it is a scandal that such an amount is being put up without any methodology or analytical approach to it.

Mr Morris: We will take that on notice in terms of what is available to provide but note that—

Senator CAMERON: There is probably not much.

Mr Morris: I note that it is a provision. It depends on demand for the program as to whether it is taken up or not.

Answer:

The funding amount for the \$2.5 billion concessional loans scheme was a decision of the Australian Government and took into consideration the uptake for concessional loans at that time.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 93

Division/Agency: Farm Support and Forestry Division

Topic: Uptake of current drought concessional loans

Proof Hansard page: 55

Senator CAMERON asked:

Senator CAMERON: Can you provide us with an update on the uptake of the current drought concessional loans that you are basing your projections on?

Mr Glyde: Yes. Not right now but, yes, we can do that

Answer:

Uptake of the Drought Concessional Loans Scheme and Drought Recovery Concessional Loans Scheme as at 30 September 2015:

	Drought Concessional Loans Scheme		Drought Recovery Concessional Loans Scheme	
	2014–15	2015–16	2014-15	2015–16
Year				
Applications received	508 received	4 received	40 received	4 received
Applications approved	307 approved	1 approved	25 approved	0 approved
Value of applications approved	\$183.591 million	\$0.750 million	\$12.476 million	-
Funding available	\$270 million	\$100 million*	\$100 million	\$40 million^

* This figure includes the allocation to jurisdictions that are currently open for applications in 2015–16 (New South Wales, Queensland, Victoria and South Australia).

^ This figure includes the allocation to jurisdictions that are currently open for applications in 2015–16 (New South Wales and Queensland).

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 94

Division/Agency: Farm Support and Forestry Division

Topic: Impact on forestry and fishing

Proof Hansard page: 56

Senator SIEWERT asked:

Senator SIEWERT: I understand what you said about that association there, but what about all the research? Where is the thinking going on now around climate change? Surely your whole focus on climate change is not just about individual farm support?

Mr Glyde: The thinking more broadly within the Commonwealth is done in the Environment Department in relation to the broad impacts of climate change and the economy-wide type response in relation to climate change. That is all in that department. Our focus has been on the consequences of climate change for the farm sector, the fisheries and forestry sector as well. That is why we deal with it in the section that it is in.

Senator SIEWERT: When you are dealing with it for fisheries and forestry, where do you do it there? They are not farms.

Mr Glyde: No, but that is where it used to be, in that area. It is really a question of just balancing up the workloads and that is why it has moved around. There has not been any ulterior motive in relation to moving it. It is more just that it has bounced around between different divisions from time to time.

Senator SIEWERT: Are they still doing impact on forestry and fishing?

Mr Glyde: I would have to take that on notice. I do not know exactly how much we are doing in that regard.

Answer:

The Climate Policy Section within the department engages internally and with other departments to ensure that portfolio industries, including forestry and fisheries, interests are considered in climate change policy development.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 95

Division/Agency: Farm Support and Forestry Division

Topic: Drought Concessional Loans

Proof Hansard page: 59

Senator CAMERON asked:

Senator CAMERON: How many farmers have claimed who do not have the demonstrated viability under the guidelines?

Mr Padovan: I can certainly read that out for New South Wales, if you would like, or are you looking at the national figure?

Senator CAMERON: Yes. I am looking nationally, but if you have New South Wales there that would be handy.

Mr Padovan: In New South Wales there were 240 applications received for farm finance over a two-year period, and of those 112 were approved. In the case of the drought concessional loans in 2014-15, there were 155 applications received, of which 112 were approved.

Senator CAMERON: Do you have the rest of the country?

Mr Padovan: Certainly. At a national level for the drought concessional loans, 508 were received nationally with 297 approved. In the case of farm finance, 1,009 received and 389 approved. I will clarify that in that with an application not all applicants followed through with the process. As banks matched commercial rates, as new schemes came on board, some of those applicants will have moved to other schemes or other commercial arrangements.

Senator CAMERON: Do you have a document with those figures that you can table? It would save me going through each one with you. If you could table the figures for both the schemes we can move on to somewhere else.

Mr Padovan: We can certainly get a document today. I just need to check that there is nothing in here that—

Answer:

As at 30 September 2015, the top three reasons for declining applications for the Farm Finance Concessional Loans Scheme at a national level were that the:

1. Farm business was not commercially viable in the long term (106 farm businesses)
2. Farm business was not in need (102 farm businesses)

Question: 95 (continued)

3. Farm business had insufficient or unsatisfactory security (57 farm businesses)

As at 30 September 2015, the top three reasons for declining applications for the Drought Concessional Loans Scheme at a national level were that the:

1. Farm business was not commercially viable in the long term (44 farm businesses)
2. Farm business had insufficient or unsatisfactory security (38 farm businesses)
3. Applicant was not an eligible farm business (10 applicants)

As at 30 September 2015, the top two reasons for declining applications for the Drought Recovery Concessional Loans Scheme at a national level were that the:

1. Farm business had insufficient or unsatisfactory security (3 farm businesses)
2. Farm business was not in need (2 farm businesses)

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 96

Division/Agency: Farm Support and Forestry Division

Topic: ATO with taxpayers in drought affected communities

Proof Hansard page: 60

Senator CAMERON asked:

Senator CAMERON: What has been done with the ATO with taxpayers in drought affected communities? Is part of the process that the ATO would be involved in this?

Mr Padovan: The ATO has set up a farmer assistance hotline. One of the things that the government sought to ensure was that there was an effective engagement with the ATO and those in drought affected communities. I think a rural assistance hotline was established. We can give you the details. I think it is around 6,000 calls to that hotline to date. The ATO is in the process of also doing rural engagement tours—actually getting out there and engaging with the rural community and making sure that people are aware of what options are available to them when they are suffering the impacts of drought.

Answer:

Please see response to Question on Notice 105 from the Supplementary Budget Estimates hearing in October 2015.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 97

Division/Agency: Farm Support and Forestry Division

Topic: Drought Communities Programme

Proof Hansard page: Written

Senator CAMERON asked:

Senator CAMERON: Yes, thanks for that. How many shovel-ready schemes are there in the shovel-ready list?

Mr Padovan: Ms Kennedy can walk you through which projects have been approved and which LGAs are eligible.

Ms Kennedy: In terms of the 17 LGAs that are currently eligible, they are in Queensland and New South Wales; so Balonne, Barcaldine, Blackall-Tambo, Bulloo, Burke, Diamantina, Flinders, Longreach, McKinlay, Murweh, Paroo, Winton, Barcoo and Richmond in Queensland, and Brewarrina, Walgett and Coonamble in New South Wales. I understand that 23 proposals from seven of those councils have been received so far. Proposals from two of the LGAs have been approved. There is \$276,000 and \$354,000 for Bulloo and \$1.5 million, which is the total amount that you can be eligible for, for Balonne.

Senator CAMERON: What are those projects?

Ms Kennedy: I would probably best to take that level of detail on notice, and either we or our colleagues at Department of Infrastructure and Regional Development could give you that information.

Answer:

The Department of Infrastructure and Regional Development manage the Drought Communities Programme and are best placed to provide further details on this programme.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 98

Division/Agency: Farm Support and Forestry Division

Topic: Senator Colbeck trip to Japan and China

Proof Hansard page: Written

Senator RICE asked:

1. Who the members of the trade delegation to Japan and China 19 to 22 April 2015 to promote the Australian forest industries, led by Senator Richard Colbeck?
2. What companies and organisations do they represent?
3. What was the total cost of the mission? How much of the cost was borne by the federal Government, under what program and how much was paid by participants?
4. What are the trade outcomes for the forestry industry?
5. Where some of the discussions related specifically to wood waste or woodchips export?

Answer:

1. & 2. Industry participants in the trade delegation to Japan and China from 19 to 22 April 2015 were:

Japan

- Mr Ross Hampton—Chief Executive Officer, Australian Forest Products Association
- Dr Bill Hurditch—Principal, Fifth Estate
- Dr Alastair Woodard—Consultant, Forest and Wood Products Australia
- Mr Simon Kang—Executive Director, Ta Ann Australia

China

- Mr Ross Hampton—Chief Executive Officer, Australian Forest Products Association
- Dr Bill Hurditch—Principal, Fifth Estate
- Mr Pat Groenhout—General Manager, PF Olsen Australia
- Mr Paul Cashion—General Manager, Visy-China

Question: 98 (continued)

3. The total cost to government was \$41 992.41. This was advised in the response provided to Question on Notice 33, from Budget Estimates in May 2015.

Costs were attributed to Program 1.3 Forestry.

The department cannot comment on the cost to industry participants as they were borne by each participant.

4. The department cannot comment on the trade outcomes of the mission as they are of a commercial nature.
5. The department is not aware of any discussion during the trade mission specifically related to wood waste or woodchips export.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 99

Division/Agency: Farm Support and Forestry Division

Topic: Forest Industry Advisory Council

Proof Hansard page: Written

Senator RICE asked:

1. What is the current status of the development of a forestry industry strategy through the Forest Industries Advisory Council? Is such a strategy likely to be complete prior to the federal election?
2. What is the expected release date of the final report from the Strategic Directions Issues Paper?
3. What was the cost of the production of the report "A Strategic Directions Issues Paper" released by the Forest Industry Advisory Council in March 2015?

Answer:

1. The Forest Industry Advisory Council is working on a Discussion Paper on a National Wood and Fibre Plan. Its completion is at the discretion of the council.
2. The release date of the Discussion Paper is at the discretion of the council.
3. The cost of printing the 'Strategic Directions Issues Paper' was \$5 309.70 (including GST). The preparation, editing and design of the issues paper was done by departmental staff.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 100

Division/Agency: Farm Support and Forestry Division

Topic: Regional Forest Agreements

Proof Hansard page: Written

Senator RICE asked:

1. What is the current progress of Commonwealth and State discussions regarding the replacement or renewal of each Regional Forest Agreement, being:
 - a) Tasmania
 - b) East Gippsland
 - c) Gippsland
 - d) Central Highlands
 - e) North East Victoria
 - f) West Victoria
 - g) Eden
 - h) Southern NSW
 - i) North East NSW
 - j) Western Australia
2. Specifically, have discussions commenced? Have formal review processes been agreed? Have reviews commenced? If so, what stage are they at?
3. What is the government's current intention with regard to roll-over of existing Regional Forests Agreements?

Answer:

1. All Regional Forests Agreements (RFAs) contain a clause requiring parties to agree a process for extension of the RFAs as part of the third five-yearly review. Regarding RFA extensions discussions:
 - a. Tasmania – preliminary discussions on extension have commenced as the third five-yearly review is close to completion. Further information is available at <http://www.stategrowth.tas.gov.au/forestry/rfa>.

Question: 100 (continued)

- b. East Gippsland – Not commenced
 - c. Gippsland - Not commenced
 - d. Central Highlands - Not commenced
 - e. North East Victoria - Not commenced
 - f. West Victoria - Not commenced
 - g. Eden - Not commenced
 - h. Southern NSW - Not commenced
 - i. North East NSW - Not commenced
 - j. Western Australia - Not commenced
2. Only Tasmania has had preliminary discussions on the extension of the RFA. Third five-yearly review processes are yet to commence in the remaining RFA states:
- Tasmania: the Independent Reviewer’s report is due to be delivered to the governments by mid-November 2015 and subsequently tabled in the Australian Parliament (it has 15 sitting days from its delivery to the Commonwealth Minister). As described above, formal extension processes have not commenced.
 - NSW: a Scoping Agreement is being drafted with the intention that the second and third five-yearly review will commence in 2016.
 - Victoria: a Scoping Agreement is being drafted with the intention that the third five-yearly review will commence in 2016.
 - WA: a Scoping Agreement for third five-yearly is close to being agreed at senior officials level, for approval by Ministers. The review is expected to commence in the first half of 2016.
3. In its 2013 policy for a strong and sustainable forestry industry, the government was explicit in its commitment to a 20-year rolling life for each RFA. This will be achieved by extending RFAs for five years following successful completion and implementation of each RFA five-yearly review.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 101

Division/Agency: Farm Support and Forestry Division

Topic: Concessional Loans

Proof Hansard page: written

Senator STERLE asked:

1. How will the drought concessional loans be administered? Pg 87 White Paper
2. Have all States and Territories signed up to administer the drought concessional loans over the next 10 years?
3. What is the projected uptake of the drought concessional loans over the next 10 years?
Methodology
4. How can a drought concessional loan be described as an investment?
5. What will happen to drought concessional loans funds not taken up by farmers?

Answer:

1. The 2015–16 Drought and Drought Recovery Concessional Loans schemes will continue to be administered through state delivery agencies, which is consistent with the 2013–14 and 2014–15 schemes.

The new ten-year concessional loans scheme will be made available from 2016–17. The Commonwealth is determining, in consultation with state and territory governments, the most appropriate model to administer the new scheme.

2. The Commonwealth is working with state and territory governments to establish loan conditions and delivery arrangements.
3. The uptake of loans will be determined by a range of external factors including seasonal conditions such as drought, commercial interest rates and commodity markets.
4. For farm businesses, drought concessional loans provide an opportunity to invest in eligible activities and infrastructure to better position them to prepare for, manage through and recover from drought conditions.
5. Consistent with the existing concessional loans schemes, any uncommitted loan funds will be returned to the Australian Government.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 102

Division/Agency: Farm Support and Forestry Division

Topic: Farm insurance advice and risk assessment grants

Proof Hansard page: Written

Senator STERLE asked:

1. How will farm insurance advice and risk assessment grants be administered? \$29 million dollars over four years
2. Which commodities will be able to apply for assessment grants?
3. Will matching funding be provided by the State and Territory for the assessment grants?
4. As this measure falls in under the drought and risk management section of the White Paper – are there regional limitations as to who can apply for farm insurance advice and risk assessment grants?

Answer:

Programme details are currently being finalised.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 103

Division/Agency: Farm Support and Forestry Division

Topic: Drought Concessional applications

Proof Hansard page: Written

Senator STERLE asked:

1. Provide detail on how many drought concessional applications were received, rejected and approved during 2014–15
2. Which jurisdictions will be eligible for the scheme in 2015–16
3. Provide detail on how many drought recovery concessional loans were received, rejected and approved during 2014–15
4. Which jurisdictions will be eligible for the scheme in 2015–16

Answer:

1. As at 30 September 2015, under the 2014–15 Drought Concessional Loans Scheme there were 508 applications received nationally; 119 farm businesses were declined; 307 farm businesses were approved for loans; and 15 applications remain under assessment (the balance of applications were either withdrawn, cancelled or duplicate applications).
2. The 2015–16 Drought Concessional Loans Scheme was offered to all jurisdictions except for the ACT. The scheme is currently open for applications in New South Wales, Victoria, Queensland and South Australia.
3. As at 30 September 2015, under the 2014–15 Drought Recovery Concessional Loans Scheme there were 40 applications received nationally; 9 farm businesses were declined; 25 farm businesses were approved for loans; and 4 applications remain under assessment (the balance of applications were either withdrawn, cancelled or duplicate applications).
4. The 2015–16 Drought Recovery Concessional Loans Scheme was offered to New South Wales, Victoria, Queensland, South Australia and Western Australia. The scheme is currently open for applications in New South Wales and Queensland. Victoria has chosen not to offer this scheme at this time.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 104

Division/Agency: Farm Support and Forestry Division

Topic: Rural Research and Development Legislation Amendment Bill 2014

Proof Hansard page: Written

Senator STERLE asked:

Is the Government planning on abolishing the National Rural Advisory Committee?

Answer:

As part of the Australian Government's Smaller Government – Towards a Sustainable Future reforms, which were announced in December 2014, the government chose to abolish the National Rural Advisory Council (NRAC) and merge its role into the Agricultural Industry Advisory Council.

Positions of the NRAC members were allowed to lapse or were revoked on 30 June 2015.

The *Rural Adjustment Act 1992*, which underpins the formation and operation of NRAC is scheduled to be repealed in its entirety as part of the Omnibus Repeal Day (Spring 2015) Bill 2015. The Bill, introduced on 12 May 2015, is currently before the House of Representatives.

The Agricultural Industry Advisory Council (AIAC) provides the Minister for Agriculture and Water Resources with information, advice and recommendations from a cross-section of industries and stakeholders, on the key issues affecting Australian agriculture.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 105

Division/Agency: Farm Support and Forestry Division

Topic: Advice and assistance from Australian Taxation Office

Proof Hansard page: Written

Senator STERLE asked:

1. What work has commenced on advice and assistance from the Australian Taxation Office to taxpayers in drought-affected communities? White Paper claims that “the ATO will work with the Department of Agriculture to identify taxpayers.
2. How will the Department work with the ATO to identify drought affected farmers?
3. What privacy considerations will be undertaken so that information is kept confidential?
4. Has the Department undertaken consultation with drought-affected farmers regarding this measure?

Answer:

1. On 24 June 2015, the Australian Taxation Office (ATO) launched a dedicated hotline (Option 3 on 13 11 42) for drought-affected taxpayers and, as at 31 October 2015, had received over 9 000 calls to the hotline.

The ATO has commenced communication activities, initially using social media, aimed at promoting awareness of its available assistance and encouraging drought-affected taxpayers needing help to contact them on the hotline.

The ATO is currently developing letters that will be sent to businesses and individual taxpayers in drought-affected areas who are potentially experiencing difficulties fulfilling their tax obligations. The ATO expects to start issuing these letters before the end of 2015.

The ATO is planning to visit drought-affected areas in collaboration with other government agencies and non-government agencies where possible.

2. The department is assisting the ATO in identifying drought-affected areas.
3. The ATO has advised that it will protect the privacy of taxpayers in drought-affected areas in the same way that it protects the privacy of all taxpayers.

Question: 105 (continued)

4. The department worked with the Department of the Prime Minister and Cabinet—the lead agency for the development of the Agricultural Competitiveness White Paper—throughout the White Paper consultation process. This process included over 1 100 discussions with farmers, individuals working in the supply chain, exporters and others, in rural, regional and metropolitan areas, as well as over 1 000 submissions. The ATO measure was developed in response to the issues and concerns raised during this consultation process.

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2015

Agriculture and Water Resources

Question: 106

Division/Agency: Farm Support and Forestry Division

Topic: Farm Household Allowance

Proof Hansard page: Written

Senator STERLE asked:

As at 30 June 2015 how many recipients were denied assistance under the Farm Household Allowance Scheme?

Answer:

As at 30 June 2015, the Department of Human Services data indicates that 1 001 Farm Household Allowance applications had been rejected under the programme.