

**Rural and Regional Affairs and Transport Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Budget Estimates May 2012  
**Agriculture, Fisheries and Forestry**

**Question:** 104

**Division/Agency:** Agricultural Productivity Division

**Topic:** Training under FarmReady reimbursement grants

**Proof Hansard page:** 78 (22/05/2012)

**Senator NASH asked:**

**Senator NASH:** A one-off specific course. How was the training delivered? That is a broad question, given there is a range of areas. Is it one-day sessions, two-day sessions or six-week sessions?

**Mr Koval:** It depends on the course. Some of them are half a day to one day and some of them might be one day a week for a period of time. So it does depend on the course.

**Senator NASH:** Can you give me a breakdown of that? Perhaps you could take on notice the areas that you broadly mentioned that you did not know the detail on.

**Mr Koval:** Yes.

**Senator NASH:** And, again, how each of those separate areas, separate modules were delivered.

**Mr Koval:** Okay.

**Answer:**

At the end of May 2012 there were 469 approved courses under FarmReady Reimbursement Grants. Training is delivered in a number of ways in these courses including:

- Half-day courses:
  - Examples of courses include use of computer mapping, introduction to no-till and introduction to succession planning.
- One day courses
  - Examples of courses include training in use of computerised financial packages, financial management and production change
- Two and three day courses, most run as a block
  - Examples of courses include whole farm planning and management of integrated crop and pasture production.
- 3-6 separate one day sessions
  - Examples of courses include pasture and animal production - sessions coincide with the production lifecycle.
- Modular courses run in two 3-day blocks, over a series of weekends or as 14-day residential course.
  - Examples of courses include strategic management and permaculture design.

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- Others such as online and virtual class room
  - Examples of courses include distance education and training offered via webinars such as Environmental Management Systems development and implementation.

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**Question:** 105

**Division/Agency:** Agricultural Productivity Division

**Topic:** Details of delivery of training courses under skills for all Australians

**Proof Hansard page:** 79 (22/05/2012)

**Senator NASH asked:**

**Senator NASH:** I will finish my train of thought, if I could. I am interested in how these certificate courses are delivered—whether it is an everyday requirement or a part-time requirement. I am very happy for you to take this on notice and give me the detail. Also, in this new delivery model you are talking about, can a farmer who wants to upskill in any of these areas do a two-day course or a very short-term course, with no intent to go off into the workforce but who wishes to upgrade their own skills? I am keen to know where that fits into the new model, because that seems to be one of the great deliverables out of the previous FarmReady.

**Mr Ryan:** I am happy to take that on notice, but broadly the training is going to be delivered through the vocational education and training sector. The government is providing \$9 billion over five years—\$7.2 billion is through agreement with the states and then there is an additional \$1.75 billion for Skills for all Australians.

**Answer:**

One of the fundamental agreements reached under the new Council of Australian Government's arrangements was a national entitlement to enable more people to undertake training up to their first Certificate III level qualification.

Jurisdictions have flexibility to expand the entitlement beyond Certificate III; or to make the entitlement available to people who already have a qualification at Certificate III level or higher to meet specific skill requirements within their jurisdiction.

Under this agreement it is likely that different models will be established across jurisdictions, reflecting different skills supply and demand requirements.

Delivery could range from full time or part time courses which can be delivered in person, through online courses, distance education or a mixture of methods. It is also expected that approved training providers will have flexibility to arrange training schedules that meet the needs of students.

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**Question:** 106

**Division/Agency:** Agricultural Productivity Division

**Topic:** Year of the Farmer funding

**Proof Hansard page:** 85 (22/05/2012)

**Senator SIEWERT asked:**

**Senator SIEWERT:** My understanding is that the 'Year of the Farmer' were also seeking funding for a conference at the end of the year. Have they raised that? That is correct, isn't it? Have you heard from them about that?

**Mr Ryan:** I am not sure.

**Senator Ludwig:** We will take it on notice.

**Answer:**

Australian Year of the Farmer Limited (AYOF Ltd) raised the proposal for a conference to be held towards the end of the Year of the Farmer celebrations and sought funding for this event in mid 2011.

Subsequent discussion between the government and AYOF Ltd led to agreement on funding support being provided for the Year of the Farmer National Roadshow. This was announced by the Minister for Agriculture, Fisheries and Forestry on 29 March 2012.

AYOF Ltd continues to keep the department informed of the activities of the Year, including the development of the conference concept.

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**Question: 211**

**Division/Agency:** Agricultural Productivity Division

**Topic:** National Food Plan

**Proof Hansard page:** Written

**Senator COLBECK asked:**

1. Provide an update on the timeline for green paper and target dates for white paper. When are outcomes from this process expected?
2. What are the key issues being considered in the green paper?
3. What is the process for actioning short term issues?

**Answer:**

1. The Australian Government expects to release the green paper for public consultation around mid-year. The government has indicated that it intends to finalise the white paper in the 2012–13 financial year but the timing of the white paper will depend on feedback on the green paper.
2. The National Food Plan is considering a broad range of issues as outlined in the *Issues paper to inform development of a national food plan* (available from [www.daff.gov.au/nfp](http://www.daff.gov.au/nfp)).
3. The government continues to respond to short-term issues relating to food as part of its normal business of developing and implementing policy, programs and regulations.

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**Question: 212**

**Division/Agency:** Agricultural Productivity Division

**Topic:** Rural Skills and Labour Ministerial Statement

**Proof Hansard page:** Written

**Senator COLBECK asked:**

1. Provide details of how “the Government is continuing to work with PIEF, PICSE and the Australian Deans of Agriculture”.
2. Was the \$225,000 recently provided to PIEF a lump sum or is it spread over a number of years? Which program did this funding come from?

**Answer:**

1. The Australian Government is working with a range of stakeholders, including the Primary Industries Education Foundation (PIEF), Primary Industry Centre for Science Education (PICSE) and the Australian Council of Deans of Agriculture (ACDA) to increase awareness of agricultural careers and education. This work includes provision and oversight of grants, cooperation on working groups, face-to-face discussions and consideration of relevant submissions by these and other groups.

On 11 May 2012, Senator the Hon. Joe Ludwig, Minister for Agriculture, Fisheries and Forestry, announced funding of \$225 000 (GST exclusive) to PIEF for the continued financial membership of the Department of Agriculture, Fisheries and Forestry in 2012–13, 2013–14 and 2014–15.

The Australian Government is also providing grant funding to support two specific projects with PICSE and PIEF respectively.

The PICSE project will assist the centre to develop strategies to encourage more young people to enter primary industries through research and agribusiness organisations. The funding will also support the content development for the PICSE Australian Year of the Farmer special edition magazine to showcase modern food and fibre careers. The cost of this project is \$125 000 (GST exclusive).

On 3 February 2012, PICSE, PIEF, the ACDA, along with the Department of Agriculture, Fisheries and Forestry (DAFF) and the Department of Industry, Innovation, Science, Research and Tertiary Education participated in the National Farmers’ Federation *Education, Skills & Labour in Agriculture – Round Table*. These same bodies also participated in the *Education, Skills & Labour in Agriculture – Working Group* held on 14 May 2012. These two forums discussed the agricultural labour market, education and training and workforce development needs.

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On 19 June 2012, DAFF also participated in the PICSE roundtable which sought to establish an Agricultural Education Council to develop and implement an agricultural workforce strategy.

Following the release of the government's *Issues paper to inform development of a national food plan*, many stakeholders provided feedback on labour and skills issues. This feedback is being considered as the government develops a national food plan green paper. The green paper will also provide additional opportunities for stakeholder input. The government has encouraged PIEF, PICSE and ACDA to contribute to this process.

2. The funding of \$225 000 for three additional years of membership of PIEF (2012–15) was provided as a lump sum in 2011–12.

The funding was provided through DAFF's Community Networks and Capacity Building program as part of the allocation for Year of the Farmer measures.

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**Question: 213**

**Division/Agency:** Agricultural Productivity Division

**Topic:** National Food Plan

**Proof Hansard page:** Written

**Senator COLBECK asked:**

Is the food plan considering:

- The impact of cost of government on industry, for example the recent handing back of 54 boat licences?
- The increase in environmental and regulatory demands, for example the predicted 33% increase in costs for registration of agricultural chemicals?

**Answer:**

In preparing the National Food Plan green paper the Australian Government has examined opportunities to improve regulations affecting the food system consistent with the government's wider regulatory reform agenda. This will be detailed for consultation in the green paper and the government will consider stakeholder feedback when preparing the National Food Plan white paper.



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**Question:** 219

**Division/Agency:** Agricultural Productivity Division

**Topic:** Food processing

**Proof Hansard page:** Written

**Senator COLBECK asked:**

1. Has the department investigated the contracting processing industry and its impact on domestic production?
2. If so, what are the outcomes of the investigation?
3. Does the department or government have a strategy to ensure a certain base level of Australian production?
4. If so, what is it?
5. Has the government investigated the impact of cheap tomato imports from the subsidised European Union on the Australian production of processed tomatoes and if so what have been the findings and response from the government?

**Answer:**

1. No.
2. Not applicable.
3. The Australian Government has a number of initiatives to support the Australian processed food industry including the Food Processing Industry Strategy Group and the Prime Minister's Taskforce on Manufacturing. The National Food Plan, currently being developed by the government, will provide a framework to better integrate all aspects of food policy for the benefit of food businesses and consumers.
4. Please refer to the answer to Question 3.
5. In 2002–03 the Australian Customs Service carried out an investigation into whether countervailing duties should be imposed on imports of canned tomatoes from Italy. Customs was not satisfied that the Australian industry suffered material injury over the period of the investigation and therefore no countervailing duties were required. The Department of Agriculture, Fisheries and Forestry is not aware of any subsequent investigations by the government.

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**Question: 221**

**Division/Agency:** Agricultural Productivity Division

**Topic:** FarmReady funding cut

**Proof Hansard page:** Written

**Senator COLBECK asked:**

1. How many staff managed the program and where have the staff gone?
2. Are there any other programs that will fulfill this role?
3. If so how will their guidelines differ?

**Answer:**

1. During the last year the number of departmental staff managing the FarmReady program has varied from 7 to 4 at the end of June 2012. Staff found positions within the Department of Agriculture, Fisheries and Forestry, other departments or in the private sector.
2. The Australian Government's skills reform package for the national training system, Skills for All Australians, will fulfil the role of skills training in the future.
3. The implementation and delivery of the package are the responsibility of the Education, Employment and Workplace Relations portfolio. More information can be found at the following webpage - [www.deewr.gov.au/Skills/Pages/SkillsforallAustralians.aspx](http://www.deewr.gov.au/Skills/Pages/SkillsforallAustralians.aspx).

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**Question: 287**

**Division/Agency:** Agricultural Productivity Division

**Topic:** Horticulture

**Proof Hansard page:** Written

**Senator MCKENZIE asked:**

- a) Who is conducting the inquiry into the Horticulture Australia Limited citrus industry advisory committee?
- b) What are its terms of reference?
- c) When will it report?
- d) Will the report be made public?
- e) Has there been any commitment made to act upon the recommendations of the inquiry?

**Answer:**

- a) The Department of Agriculture, Fisheries and Forestry is investigating a complaint about Horticulture Australia Limited's (HAL) citrus industry advisory committee.
- b) The terms of reference are to investigate the complaint.
- c) The complainants will be advised of the results of the investigation when it is completed.
- d) Please refer to the answer to part c.
- e) No.

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**Question:** 298

**Division/Agency:** Agricultural Productivity Division

**Topic:** Productive relationships

**Proof Hansard page:** Written

**Senator NASH asked:**

Portfolio Budget Statement page 45

1. What are the “productive relationships”?
  - (a) How do you measure the success of these?
2. What are the actions arising from the new legislation?

**Answer:**

1. Productive relationships are those where both parties achieve positive outcomes.
  - (a) They can be measured by the willingness of each party to continue with the relationship, the trust that is engendered among the parties and the identification of specific benefits such as information sharing and understanding, collaboration and partnerships, and agreement of positions on key issues of concern to stakeholders.
2. The Wheat Export Marketing legislation proposes to abolish the bulk wheat export accreditation scheme, abolish Wheat Exports Australia (WEA) and, over time and providing certain conditions are met, abolish the need for access undertakings to be provided by monopoly grain port operators.

If the legislation is passed, changes to subordinate legislation are necessary to give full effect to the reforms. The Department of Agriculture, Fisheries and Forestry will also be involved in the windup of WEA, will work closely with the Australian Competition and Consumer Commission in the administration of the access test and will continue to attend meetings of the Port Access Code of Committee as an observer.

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**Question:** 303

**Division/Agency:** Agricultural Productivity Division

**Topic:** Government statement on research and development

**Proof Hansard page:** Written

**Senator NASH asked:**

Portfolio Budget Statement page 53.

1. Regarding the statement “Develop an Australian Government Statement on research and development” is this a new initiative? If so why hasn’t one been developed?

**Answer:**

1. An Australian Government statement on rural research and development is expected to be released in mid-2012. The statement will outline the Australian Government’s future direction for rural research and development, including the government’s final response to the Productivity Commission’s inquiry report on Rural Research and Development Corporations and the Rural Research and Development Council’s National Strategic Rural Research and Development Investment Plan.

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**Question: 306**

**Division/Agency:** Agricultural Productivity Division

**Topic:** National Food Plan

**Proof Hansard page:** Written

**Senator NASH asked:**

1. National Food Plan - Australia's National Food Plan doesn't seem to be mentioned in 2012 – 13 budget, is that correct?
  - (a) The Australia Food and Grocery Council (AFGC) has stated this year's budget is 'insufficient to improve national policy settings for food and grocery manufacturers in Australia' and criticises the Budget for failing to provide any new funding for the 'long awaited' National Food Plan. How do you respond to this criticism?
  - (b) The public consultations for the National Food Plan were originally scheduled to close on 5 August 2011 and then extended to 2 September 2011, the Minister stated on 27 October 2011 work had already begun on the green paper, it is now nearly midway through 2012, when can we expect the release of the green paper?
  - (c) Once the green paper is released when can we expect to see the release of the white paper and finalisation of the policy?
  - (d) Given the lack of funding in this year's budget can we assume the policy will not be released/funded until at least 2013/14?

**Answer:**

1. No. The National Food Plan is mentioned on pages 12, 22, 53 and 54 of the Agriculture, Fisheries and Forestry 2012–13 Portfolio Budget Statement (PBS).

(a) The Australian Government supports the food manufacturing industry through a broad range of general industry policy measures along with specific manufacturing or food manufacturing initiatives. These initiatives include research and development tax incentives, facilitating adjustment to climate change, facilitating trade and facilitating industry development and strategic planning through, for example, the Food Processing Industry Strategy Group and Enterprise Connect's Food Processing Industry Support Network.

In the 2010–11 Mid-Year Economic and Fiscal Outlook, the government provided funding to the Department of Agriculture, Fisheries and Forestry of \$1.5 million over four years to develop the National Food Plan.

(b) Please refer to the answer to Question 211 Agricultural Productivity Division from the Budget Estimates hearings in May 2012.

(c) Please refer to the answer to Question 211 Agricultural Productivity Division from the Budget Estimates hearings in May 2012.

(d) No.

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**Question:** 316

**Division/Agency:** Agricultural Productivity Division

**Topic:** Funding for horticulture industry

**Proof Hansard page:** 90 (22/06/2012)

**Senator COLBECK asked:**

**Senator COLBECK:** What level of funding is the industry currently receiving as a percentage of their gross value of production? It is an important point. You say they can apply for a levy increase. That would only be the case if they were not being funded to the cap under the levy principles, which is 0.5 per cent of gross value of production. That is why I ask the question. It is all very well to say they can do that.

**Dr O'Connell:** Without having the details we are confident there is no limit reached there. I do not think that is a problem at the moment.

**Senator COLBECK:** It also has implications for the scale that they might be able to ask for in the context of this overall equation. This process—

**Senator Ludwig:** My understanding is that there is room underneath that. I did not want to actually then—we will get the precise figure.

**Dr O'Connell:** So far they have not come forward looking for that, so the issue is not material at the moment.

**Senator COLBECK:** There is a process that they have to go through to actually deal with that, through the levy principles program. They have to go through a ballot and a notice—

**Dr O'Connell:** The minister has written to HAL asking what progress has been made.

**Senator COLBECK:** You have written to?

**Senator Ludwig:** John Lloyd and Mr John Lawrence.

**Mr Glyde:** We can provide that figure on notice, Senator.

**Answer:**

The total rate of levy imposed on a class of horticultural product under the *Primary Industries (Excise) Levies Act 1999* must not cause the amount of levy collected to exceed 5 per cent of the average gross value of production (GVP) for that horticultural product. For the apple industry, this calculation results in a cap on industry levy contributions of \$23.9 million for 2010–11. This compares with the total levy collected for the apple industry in 2010–11 under the *Primary Industries (Excise) Levies Act 1999* of \$3.95 million.

Separate to the limit on the rate of levy imposed on a class of horticultural product, under the *Horticulture Marketing and Research and Development Services Act 2000*, the total Commonwealth matching payments made to Horticulture Australia Limited (HAL) for eligible research & development expenditure during a particular year must not exceed 0.5 per cent of the GVP of the total horticulture industry sector during that year.

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**Question: 316 (continued)**

The cap on Commonwealth matching payments of 0.5 per cent GVP does not apply to individual horticultural industries. In recent years, Commonwealth matching payments to HAL have reached the GVP cap. However, this comprises matching funds for statutory levies as well as voluntary levies. Given there is a priority to match statutory levies, there is likely to be capacity for the Commonwealth to match additional statutory levies from the apple industry.