

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2008

Agriculture, Fisheries and Forestry

Question: BRS 01

Division/ Bureau of Rural Sciences

Topic: Studies on drought impact

Hansard Page: Written

Senator Williams asked:

1. Has the department done any economic or social impact studies on what the impact of the drought has been on country communities?
2. If not, why not.

Answer:

As part of the current drought policy review, an expert social panel conducted an assessment of the social dimensions of the impacts of drought on farm families and rural communities. Their report "*It's about people: Changing perspectives on dryness. A report to Government by an Expert Social Panel*" was provided to the government on 30 September 2008 and publicly released by the Minister for Agriculture, Fisheries and Forestry, the Hon Tony Burke MP, on 23 October 2008.

The Bureau of Rural Sciences provided three papers to the review that are included as appendices to the report. These are:

- *Climate risk and adaptation among primary producers: top line results focusing on primary producers reporting the effects of adverse seasonal conditions;*
- *The social wellbeing of rural Australians: an analysis of the household, income and labour dynamics in Australia (HILDA) longitudinal dataset; and*
- *Climate Risk and Adaptation among Primary Producers: a comparative analysis of agricultural workers in drought-affected areas and the Australian population using the Deakin Personal Wellbeing Index.*

In addition to the Expert Social Panel report, the Productivity Commission is undertaking an economic assessment of government drought support. The Productivity Commission publicly released its draft report on 30 October 2008. A final report is to be provided to the government in February 2009

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Agriculture, Fisheries and Forestry

Question: BRS 02

Division/Agency: Bureau of Rural Sciences

Topic: Socioeconomic impact of the National Reserve System

Hansard Page: Written

Senator Williams asked:

What will be the socio-economic impact of taking an additional 25 million hectares out of agriculture land out of production?

Answer:

The Australian Bureau of Agricultural and Resource Economics (ABARE) and the Bureau of Rural Sciences (BRS) have not undertaken any assessment of the socio-economic impact of the National Reserve System on agricultural production.

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Agriculture, Fisheries and Forestry

Question: BRS 03

Division/Agency: Bureau of Rural Sciences

Topic: Modelling work on the impacts of the National Reserve System

Hansard Page: Written

Senator Williams asked:

1. What modelling has been done on the socio-economic impact of increasing the National Reserve System by 25 %?
2. If none, when will it be done and why wasn't it done prior to announcing the policy objectives?

Answer:

1. No modelling work on the socio-economic impact of increasing the National Reserve System by 25 % has been undertaken by either the Australian Bureau of Agricultural and Resource Economics (ABARE) or the Bureau of Rural Sciences (BRS).
2. Neither ABARE nor BRS has been requested to provide advice relating to the development of this policy objective.

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Agriculture, Fisheries and Forestry

Question: BRS 04

Division/Agency: Bureau of Rural Sciences

Topic: Soil carbon

Hansard Page: Written

Senator Williams asked:

1. In light of the current focus of Governments and others on Climate Change and Emissions Trading has the Bureau of Rural Science done any research into the potential for agricultural soil to sequester significant quantities of carbon, and the impact that sequestration would have on Australia's carbon footprint?
2. Given that soil organic matter is 60% carbon has the Bureau considered recommending to Government the provision of financial incentives to farmers to improve soil organic matter, and thus soil carbon levels to enhance soil health thereby having the combined effect of increasing Agricultural Productivity and reducing our overall Carbon Footprint?

Answer:

1. In collaboration with CSIRO and the Queensland University of Technology, the Bureau of Rural Sciences is currently finalising two publications on soil carbon in agriculture and forestry. The first is a technical report reviewing literature on organic carbon sequestration in soil and research requirements for the inclusion of soil carbon in carbon trading. The second is a non-technical brief on soil carbon management and trading.
2. The Bureau of Rural Sciences provides scientific advice to government on soil carbon in agriculture and forestry. As part of that advice, considerations regarding the cost of measuring soil carbon in an emissions trading scheme have been discussed but the issue of financial incentives is a matter for economic advice and broader policy consideration.

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Question: BRS 05

Division/Agency: Bureau of Rural Sciences

Topic: Drought funding

Hansard Page: Written

Senator Williams asked:

1. Has the Bureau taken into account the effect that not providing a period of recovery in relation to drought funding would have on the economy of Rural Australia?
2. Has the Bureau advised the Government to provide to the Nations cash strapped farmers and small business operators funding for a period of recovery to assist them to return their businesses to full operating capacity?

Answer:

1. The Bureau of Rural Sciences does not undertake economic analyses or provide economic advice of this type.
2. No.