

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: CPD 01

Division/Agency: Corporate Policy

Topic: Portfolio communications activities

Hansard Page: 11 (20/11/08)

Senator Colbeck asked:

What are the current communications programs that you have got running and proposed?

Ms Bie—Senator, perhaps I could answer that. The communications programs are run by the various program areas. If you are referring to campaigns, there is a Quarantine Matters campaign that the department runs for AQIS, the Australian Quarantine and Inspection Service, but we do not have any other campaigns as such at the moment.

Senator COLBECK—Dr O'Connell, is it possible for you to get a compilation of those for me, please?

Dr O'Connell—Yes.

Senator COLBECK—Do you have them, Mr Williamson?

Mr Williamson—Do you mean a compilation of the communications activities under the various programs?

Senator COLBECK—Yes.

Mr Williamson—No, I do not have it with me, but we can get that.

Senator COLBECK—Yes, I understand that you might need to do that.

Mr Williamson—We can do that, yes.

Senator COLBECK—All right.

Mr Williamson—Under the broader government guidelines, as Ms Bie said, the Quarantine Matters is the only capital C campaign at the moment.

Senator COLBECK—All right. Can you attach the values to each of those programs, please?

Answer:

The Department of Agriculture, Fisheries and Forestry currently has one campaign as defined in the Guidelines on Campaign Advertising by Australian Government Departments and Agencies.

This is the Quarantine Matters! (QM!) Campaign for 2008-09 is estimated to cost \$6.231 million, including staff costs. Of this amount, \$2.8 million is budgeted for television and cinema advertising in 2008-09. It is also expected that the department will be seeking approval in February 2009 for the next round of QM! advertising in 2009.

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: CPD 01 (continued)

Other specific current and proposed communications activities which do not classify as campaigns under the aforementioned guidelines include:

- the Northern Australia Quarantine Strategy (NAQS) communication strategy (up to \$245 000 for the 2008-09 financial year)
- development and implementation of a communication strategy for the Australia's Farming Future initiative
- communications activities to help improve biosecurity awareness of farmers, particularly in peri-urban and culturally and linguistically diverse communities (\$200 000 for 2008-09), and
- communication and awareness-raising of new measures under the National System for the Prevention and Management of Marine Pest Incursions (\$70 000 for 2008-09).

In addition, the department has ongoing communications activities delivered as part of programs and policies in areas such as animal welfare, drought support and wheat marketing. These activities include developing and maintaining websites, servicing toll free numbers, advertising program information (such as drought assistance guidelines and closing dates), providing sponsorships and developing and distributing publications.

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: CPD 02

Division/Agency: Corporate Policy

Topic: Attendance of Community Cabinet

Hansard Page: 12 (20/10/08)

Senator Colbeck asked:

Senator COLBECK—So we will get the costs and all that sort of stuff of those when the international crew come on later in the morning. How many community cabinets have been held since May?

Dr O'Connell—Since May? Four, I think.

Senator COLBECK—Can you give us the details of the costs and how many ministerial staff and departmental officers travelled to each of those?

Mr David Williamson—Usually one departmental officer attends the community cabinets. I would have to take on notice the ministerial staff though, Senator.

...

Mr David Williamson—The secretary has attended several, Mr Quinlivan has attended one and I think Mr Hunter has also attended one.

Dr O'Connell—Either myself or deputy secretaries, one or the other.

Senator COLBECK—Does it depend on the location and the issues that you might expect to crop up or is it basically who is available to go?

Dr O'Connell—No, it is a priority. It depends on a range of other things but we would always keep it ideally at my level. It is appropriate for the secretary of the department to attend the community cabinet and I will do that when I can. If there are any reasons for which I cannot do it, then one of the deputy secretaries would attend.

Senator COLBECK—That is good. Do you have information on the costs of the travel for those?

Mr David Williamson—No, I would have to take that on notice.

Answer:

There have been four Community Cabinet meetings since May 2008: Mackay (29 June); Yirrakala in the Northern Territory (23 July); Adelaide (14 August); and Newcastle (29 September). One ministerial advisor accompanied Minister Burke to each of these meetings. The Secretary attended the Mackay and Adelaide meetings, Deputy Secretary Daryl Quinlivan attended the Yirrakala meeting and Deputy Secretary Stephen Hunter attended the Newcastle meeting.

Travel costs for the minister are met by the Department of Finance and Deregulation (DOFD) with the exception of car costs, which are met by the Department of Agriculture, Fisheries and Forestry (DAFF). Travel costs for ministerial staff are met by DOFD.

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: CPD 02 (continued)

| Community Cabinet | Costs paid by DAFF | Costs paid by DOFD | Total costs |
|-------------------------------------|--------------------|--------------------|-------------|
| Mackay, QLD 29 June 2008 | \$836.90 | \$938.55 | \$1775.45 |
| Yirrakala, NT 23 July 2008 | \$4966.59 | \$6,692.21** | \$11658.80 |
| Adelaide, SA 14 August 2008 | \$2356.99 | \$4,514.18 | \$6871.17 |
| Newcastle, NSW 29 September 2008 | \$608.16 | \$964.60 | \$1572.76 |

Notes for costs paid by DOFD

Note 1. Without consultation with the travellers, the information in the table above relies on an assumption that all travel to and from relevant locations immediately before and after the relevant Cabinet meetings, was for the purposes of attending the Cabinet meetings.

Note 2. The above figures include airfares and Travelling Allowance (including Motor Vehicle Allowance) claims. They do not include travel by taxis (due to the difficulties determining exact destinations using the electronic information as provided by Cabcharge) or travel on Special Purpose Aircraft (which is administered by the Department of Defence).

Note 3. The financial information provided in the tables includes additional destinations for the Hon Tony Burke MP. Given the nature of the flight bookings, the cost of the additional destinations are not able to be disaggregated from the cost of travel to attend Community Cabinet meetings.

**Note 4. As Mr Burke has claimed travelling allowance for Ministerial business in both Darwin and Katherine, DOFD is unable to determine whether the primary reason for travel to either of these locations was for attendance at the Community Cabinet meeting in Yirrakala.

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: CPD 03

Division/Agency: Corporate Policy

Topic: Current portfolio policy reviews

Hansard Page: 12 (20/10/08)

Senator Colbeck asked:

Senator COLBECK—Do you have a list of reviews currently being undertaken in the portfolio?

Mr David Williamson—Not to hand, no.

Senator COLBECK—So you could not tell me how many there are, obviously?

Mr David Williamson—Not off the top of my head, no.

Senator COLBECK—How long would it take to compile that information?

Dr O'Connell—It would not take too long but we could take that on notice. It would also, I guess, depend what sorts of reviews, whether they are normal program reviews or reviews of our broader policy scale such as quarantine and Biosecurity. There is quite a spread of reviews which happen from the normal program that are built into a program to the large scale policy review.

Senator COLBECK—I am really interested in the ones that are effectively the larger scale ones. I know that some of them have reported and are with the minister for comment and I would like to be able, if I can, to find out where they are and when we are likely to see either the report or some response.

Dr O'Connell—We could take on notice what are the policy reviews and what is the state of play with each of those.

Answer:

(This response incorporates the written question on notice (CPD 06) from Senator Williams.)

The following large scale policy reviews are currently being undertaken in the agriculture, fisheries and forestry portfolio.

Review of Quarantine and Biosecurity Arrangements (Beale Review)

The Hon. Tony Burke MP, Minister for Agriculture, Fisheries and Forestry, appointed an independent panel, chaired by Roger Beale AO, in February 2008 to review Australia's quarantine and biosecurity arrangements. Mr Beale was joined on the panel by Mr Andrew Inglis AM, Mr David Trebeck and Dr Jeff Fairbrother AM. Biographies for each member are provided below.

The panel submitted its final report to the Minister on 30 September 2008. Minister Burke has indicated he will consider the report in detail before releasing it publicly and providing a government response.

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: CPD 03 (continued)

To date, the review has cost \$1,728,067, comprising panellists' sitting fees (\$654,108), travel costs and allowances (\$297,340), employee expenses for department staff directly supporting review (\$684,275), legal advice (approximately \$78,858) and other supplier expenses (\$13,486).

Panel Members

Roger Beale is a Senior Associate with the Allen Consulting Group. He has extensive experience at senior levels in national economic and environment policy, as well as in corporate governance in the private and public sectors. He held Commonwealth department head level posts in the environment, transport and prime ministerial portfolios, and is currently Chair of the ACT Electoral Commission, Chair of the Advisory Board of the National Institute of Governance and a director of a number of companies.

Jeff Fairbrother is a former Executive Director of the Australian Poultry Industries Association and the Australian Chicken Meat Federation. He has represented industry in a range of government and industry committees and has been heavily involved with the development of regulatory policies on animal health and welfare, food safety standards and quarantine and biosecurity matters. He is currently Chairman of the Australian Poultry Cooperative Research Centre.

Andrew Inglis is a South Australian grain farmer, former Deputy Chairman of the Quarantine and Exports Advisory Council and a member of the 1996 'Nairn Review' of quarantine. He is the current Chairman of the Future Farm Industries Cooperative Research Centre and is a former Chairman of Plant Health Australia. He has held a variety of positions in Australia's grain industry and was a member of the National Petroleum Advisory Committee and the National Dryland Salinity Board.

David Trebeck is a director of several companies, including Graincorp, PrimeAg and Maersk Australia. He has dryland farming interests in the Lachlan catchment in south western NSW. He is a former commissioner of the National Water Commission, a member of the Agriculture and Food Policy Reference Group which prepared a long term policy report for the Agriculture Minister in 2005, a former managing director of ACIL Consulting, and former Deputy Director of the National Farmers Federation.

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: CPD 03 (continued)

Drought Policy Review

On 23 April 2008, Minister Burke announced that the Australian Government would conduct a comprehensive national review of drought policy, based upon three separate investigations, to help prepare farmers and local communities for climate change.

These are:

- an assessment of the impact of climate change on the nature and frequency of exceptional climate events by the Bureau of Meteorology and the CSIRO, publicly released on 6 July 2008
- an assessment of the social dimensions of the impacts of drought on farm families and rural communities by an Expert Social Panel, publicly released on 23 October 2008, and
- an Inquiry into Government Drought Support by the Productivity Commission. The commission's draft report was publicly released on 30 October 2008. A final report is to be provided to the government in February 2009.

The Minister will draw on the findings of these assessments, as well as consultations with key stakeholders, such as state and territory agriculture ministers, to develop an improved drought policy. An improved policy will be finalised by the government as a whole and be implemented from 1 July 2009.

The cost to date (as at 31 October 2008) of the drought policy review which commenced in 2007-08 is approximately \$2.378 million (GST exclusive). This includes approximately \$1.625 million (GST exclusive) for the Drought Policy Review branch in the Department of Agriculture, Fisheries and Forestry and \$0.753 million (GST exclusive) for the Productivity Commission. Included in the Drought Policy Review branch costs are the costs to date of \$0.136 million (GST exclusive) for the Bureau of Meteorology and CSIRO assessment and \$0.973 million (GST exclusive) for the Expert Social Panel assessment.

The estimated additional cost to complete the review to 30 June 2009 is \$0.534 million (GST exclusive) for the Department and \$0.625 million (GST exclusive) for the Productivity Commission. These estimates may change subject to the demands of the review.

The members of the Expert Social Panel were chosen on the basis of their experience in, and understanding of, rural health issues, agricultural and rural issues, the impacts of drought on farm families and rural communities, and issues facing rural and remote women, families and communities. Biographies are set out below.

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: CPD 03 (continued)

Expert Social Panel membership

Peter Kenny (Chair) was elected president of AgForce in October 2004 and chairs the AgForce State Council and state executive committee. He is a board member of the National Farmers' Federation, and has been a councillor and secretary of the Cattlemen's Union of Australia. He is a keen advocate for adopting big picture approaches to agripolitics and has driven projects such as the Every Family Needs A Farmer campaign and the Blueprint for the Bush.

Sabina Knight is a Senior Lecturer Remote Health Practice, and recent Council of Remote Area Nurses of Australia (CRANA) research fellow, and an advocate for remote and rural health. She was a foundation member and past president of CRANA, and the foundation deputy chair and then chair of the National Rural Health Alliance (NRHA). She has been awarded the Louis Ariotti Award for excellence and leadership in rural health, and the CRANA Aurora Award for leadership and outstanding contribution to remote health. She is a Fellow of the Australian Rural Leadership Foundation and the Royal College of Nursing Australia. She is a member of the Regional Women's Advisory Council, the Northern Territory Health Minister's Advisory Council, a director of the board of the Rural Health Education Foundation and is a commissioner on the National Health and Hospital Reform Commission.

Mal Peters owns and operates a 13,500 acre wool, cattle and grain property in northern NSW with his wife. He is the Director of the Australian Farm Institute, the NSW Rural Assistance Authority and the Border Rivers Catchment Management Authority. He is also a member of the NSW Ministerial Agricultural Advisory Committee, and a former President of the NSW Farmers Association.

Professor Daniela Stehlik is Foundation Chair in Stronger Communities, Curtin University of Technology. As the inaugural Director of the Alcoa Research Centre for Stronger Communities she leads a team of social scientists working in sustainability and conservation, strengths-based practice models and place and community resiliency. In the late 1990s, she was a member of a team that conducted the first study of the impact of drought on farm families in Australia.

Barry Wakelin is the former member for the electorate of Grey, a position he held for 14 years, and the former Chairman of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs. He has strong links with rural communities, having been a farmer, shearer and bank clerk in rural South Australia before entering politics. He is actively interested in the long-term success and sustainability of Australia's agriculture industry.

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: CPD 03 (continued)

Sue West is a former Senator for NSW, who held the position of Deputy President of the Senate from May 1997 to August 2002. She grew up on a family farm in central NSW and is a registered nurse having worked in both city and rural areas. She is the Chair of Anglicare Western NSW and is a Member of the Board of the Australian Centre for Christianity and Culture. She is also a member of the Greater Western Health Advisory Health Council, the Ministerial Advisory Council on Hearing, the Regional Communities Consultative Council and the Anglican Provincial Community Services Commission NSW.

Lesley Young is the National President of the Country Women's Association of Australia, having been an active member of the association for over 35 years. She is a mixed farming operator in Tasmania in partnership with her husband. She was an inaugural member of the Tasmanian Women in Agriculture executive, and was the former Chairman of the Board of Rural Financial Counselling Service Tasmania.

2008 Dairy Quota Review

In April 2008, Minister Burke appointed an independent panel comprising Mr John McQueen (Chair), Mr David Harris and Dr Sandra Welsman, to conduct the 2008 Dairy Quota Review. The independent review considered the administration of Australia's dairy export quotas to the United States and the European Union. The panel's report was provided to Minister Burke on 6 June 2008. Industry has been briefed on the key elements of the panel's recommended model for quota administration, and has provided feedback to the government. Minister Burke is considering the report.

The Panel Chair, Mr McQueen, was previously Chief Executive Officer of Australian Dairy Farmers Limited. Panel member, Dr Welsman, has a strong legal background and has a very good understanding of administrative processes and public policy outcomes. Panel member, Mr Harris, is an economic consultant with considerable expertise in providing strategic advice to government agencies, industry associations and private sector clients.

| | |
|---------------------|--|
| Chair Fees: | \$1200 per day (inc. GST) plus a superannuation contribution of 9 per cent |
| Member Fees: | \$1100 per day (inc. GST) plus a superannuation contribution of 9 per cent. |
| Allowances & Costs: | Substantiated fares and travel expenses reimbursed. Substantiated accommodation and meals reimbursed to a level not exceeding equivalent allowances payable to SES officers employed by the Commonwealth. |

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: CPD 03 (continued)

The rates for the chair and members fall within the ranges suggested by Remuneration Tribunal determinations for a mid-range Principal Executive Officer and for the boards of primary industry authorities respectively.

The total cost of conducting the 2008 Dairy Quota Review was \$260 017. This total includes the salaries of the secretariat to the panel provided by the Department of Agriculture, Fisheries and Forestry.

1994 National Recreational Fishing Policy Review

Minister Burke is progressing the development of a new Recreational Fishing Industry Development Strategy, which will include a review of the 1994 National Recreational Fishing Policy. An independent Advisory Committee will advise the Minister on recreational fishing related issues. The committee will be chaired by Mr Chris Natt and will comprise of about eight others, who are yet to be appointed, with relevant recreational fishing sector experience. The committee is expected to hold its first meeting by early 2009.

Mr Natt is a former Northern Territory Minister for Fisheries and former Minister for Mines. He has a background in natural resource management, including a good understanding of both recreational and state commercial fisheries management and the fisheries policy environment.

Feasibility of alternatives to the cancellation provisions under the Fisheries Management Act 1994

The review is considering the feasibility of alternatives to the cancellation provisions under the *Fisheries Management Act 1994*. It is being conducted by the department in consultation with stakeholder groups, including AFMA, the Attorney-General's Department and representatives of the Commonwealth Fisheries Association, Department of Primary Industries Tasmania, Department of Fisheries Western Australia, and Recfish Australia. A draft report is expected to be released for public comment by early 2009, with the final report to be provided to Minister Burke following the public comment period.

The review is estimated to cost approximately \$17 500 (including travel, workshop facilitator, catering, teleconferencing, overheads and publication costs) plus departmental costs (including salaries) of approximately \$115 000.

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: CPD 03 (continued)

Internal government review of biofuels policy

The department and the Department of Resources, Energy and Tourism are undertaking an internal government review of existing Australian biofuels programs and policies.

A small team of officers from both departments have been involved in the review as part of their normal duties. As such, the costs associated with the review have been absorbed within departmental appropriation.

In addition to the above, the department is involved in a range of other reviews, for example a review of the *Natural Heritage Trust of Australia Act 1997* and the *Natural Resource Management (Financial Assistance) Act 1992*, a review of non-forestry managed investments schemes and a review of the Horticulture Code of Conduct.

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: CPD 04

Division/Agency: Corporate Policy

Topic: Ministerial Correspondence

Hansard Page: Written

Senator Williams asked:

1. Why is the Minister's office so slow in responding to correspondence from members, constituents, and commodity groups and why it takes so long for any decisions to be made by the Minister's office?
2. What is the average turn around time in responding fully to correspondence?
3. How many people work on answering correspondence on behalf of the Minister?

Answer:

1. The time taken to respond to correspondence depends upon the complexity of the issues raised, the dynamics of the operating environment relating to those issues, the consultation required with subject matter experts, both within the department and with external agencies, to source information for the response.
2. The turn-around time for responding to correspondence depends upon the complexity of the subject matter, the dynamics of the operating environment and the amount of consultation needed with subject matter experts, both within the department and with external agencies, to source information for the response. Given this, there is no "average turn around time" recorded.
3. The number of staff involved in answering correspondence on behalf of the minister varies, and depends on the complexity and nature of the issues contained within the correspondence.

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: CPD 05

Division/Agency: Corporate Policy

Topic: Media releases and announcements

Hansard Page: Written

Senator Williams asked:

Is it a fact that all media releases and announcements (including the release of reports and reviews) have first to be checked by the Prime Minister's office or department before they can be released?

Answer:

This is not the case. There is no requirement, nor process in place, to check media releases through the Prime Minister's office or his department before they are able to be released.

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: CPD 06

Division/Agency: Corporate Policy

Topic: Current portfolio policy reviews

Hansard Page: Written

Senator Williams asked:

1. How many reviews, committees, taskforces, and inquiries have been started or formed since 24 November 2008?
2. What is the current status of each of these reviews, committees, taskforces and inquiries currently underway?
3. Please indicate whether they will be released publicly and if so when.
4. What is the purpose of each of these reviews, committees, taskforces and inquiries?
5. Who is undertaking each of these reviews, committees, taskforces and inquiries?
6. Provide a list of Members, their qualifications and remuneration (including daily fees, Travel Allowance).
7. How much is each of these reviews, committees, taskforces and inquiries costing?
8. Provide a breakdown of the cost of each individual review, committee, taskforce and inquiry.

Answer:

It has been assumed that question one should read:

1. How many reviews, committees, taskforces, and inquiries have been started or formed since 24 November 2007?

Please refer to the response to CPD 03.

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: CPD 07

Division/Agency: Corporate Policy

Topic: Input costs

Hansard Page: Written

Senator Williams asked:

What was the average increase in main inputs such as fuel, fertiliser and chemical over the past five years?

Answer:

Between 2003-04 and 2007-08, farm costs on chemicals, fertiliser and fuel and lubricants are estimated to have increased by 13.5 per cent, 73.6 per cent and 51.2 per cent respectively in nominal terms.

Please note these figures are not annual increases. They are the increases for the farm sector as a whole between 2003-04 and 2007-08.

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: CPD 08

Division/Agency: Corporate Policy

Topic: Interest rates passed on to farmers

Hansard Page: Written

Senator Williams asked:

Have all of the recent interest rate cuts been passed on to farmers?

If not how much has been passed on?

Answer:

On 7 October 2008, the Reserve Bank of Australia (RBA) reduced the cash interest rate by 100 basis points. Following this decision, several banks announced rate cuts for business and rural customers:

- Westpac reduced business lending rates by 80 basis points.
- Commonwealth Bank reduced lending rates (for those that were tied to the cash rate) by 53 to 65 basis points.
- Rabobank reduced the variable base rate on rural loans by 80 basis points.
- ANZ reduced agribusiness rates by 60 basis points.
- NAB reduced business lending rates by 20 basis points.

On 4 November 2008, the RBA further reduced the cash interest rate by 75 basis points.

- NAB reduced business loans by 40 basis points.
- Rabobank lowered their cash interest rate by 60 basis points.

On 2 December 2008, the RBA further reduced the cash interest rate by 100 basis points.

- CBA announced that they would lower their variable business lending rates by 100 basis points.
- NAB announced that they would lower their variable business lending rates by 100 basis points.
- Westpac announced that they would lower their variable business lending rates by 80 basis points.
- Rabobank announced that they would lower their variable business lending rates by 100 basis points.

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: CPD 09

Division/Agency: Corporate Policy

Topic: Average interest rate paid by farmers

Hansard Page: Written

Senator Williams asked:

What is the average interest rate currently being paid by farmers?

Answer:

The department is not able to provide information on the average interest rate paid by farmers as it does not have access to information of the number, types and terms of loans that Australian farmers hold.

The interest rates that farmers pay can vary depending on the type and terms of their loan and the bank's assessment on lending risk.

In a deregulated financial system like Australia's, the interest rates charged for loans are a matter for the commercial judgement of each bank or lending institution. Rates reflect a range of considerations, including the cost of funds, risk margins and competitive pressures in the market.

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: CPD 10

Division/Agency: Corporate Policy

Topic: Bank guarantees

Hansard Page: Written

Senator Williams asked:

What guarantees did the Banks give the Minister last week in Sydney in relation to banks, credit and interest rates?

Answer:

On 17 October 2008, a special meeting of the Agricultural Finance Forum was called to discuss the global financial crisis and its impact on agriculture. At the meeting, the Minister for Agriculture, Fisheries and Forestry urged the banks represented to pass on the recent cut in interest rates to farmers as well as residential customers.

The forum noted that farmers often have quite different loan products to residential customers and that not all products are linked to the cash rate. Following the meeting, several lenders announced rate cuts for business and rural customers.

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: CPD 11

Division/Agency: Corporate Policy

Topic: Quarantine Report

Hansard Page: Written

Senator Williams asked:

When will the Beale report into quarantine and bio-security be made public?

What was the purpose of the review?

How much did it cost?

Who was consulted?

Will all of the recommendations be implemented and when will the Government begin implementing those recommendations?

Answer:

Minister Burke appointed an independent panel, chaired by Roger Beale AO, in February 2008 to review Australia's quarantine and biosecurity arrangements. The review's terms of reference were released publicly on 19 February 2008 and are included below.

In March 2008, the panel called for submissions to the review. The panel consulted directly with 170 individuals and representatives of organisations and received approximately 220 written submissions. Public submissions were published on the DAFF website at the end of May 2008.

Mr Beale submitted his final report to the Minister on 30 September 2008. Minister Burke has indicated he will consider the report in detail before releasing it and providing a government response.

To date, the review has cost \$1,728,067. This total is made up of panellists' sitting fees (\$654,108), travel costs and allowances (\$297,340), employee expenses for department staff directly supporting the review (\$684,275), legal advice (approximately \$78,858) and other supplier expenses (\$13,486).

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: CPD 11 (continued)

Review of Quarantine and Biosecurity—Terms of Reference

Australia's biosecurity and quarantine systems operate on a science-based policy of managed risk, with:

- an Appropriate Level of Protection (ALOP) of very low but not zero risk
- a 'continuum of quarantine' so that intervention measures progressively reduce risk through pre-border, border and post-border activities, and
- responsibility shared between the different layers of government, importers, exporters and the community.

These systems must serve to protect Australia's pest and disease status, consistent with community expectations and international obligations.

As such, it is vital that all operational arrangements are appropriate, effective and efficient. This includes the resourcing, legal, administrative and institutional frameworks that underpin, for example:

- animal and plant risk assessment
- targets for quarantine intervention
- import inspections and certification
- incursion response mechanisms, and
- roles of and relationships between the Australian, state and territory governments and the community.

In this context, the Australian Government has appointed an independent Panel to review current biosecurity and quarantine arrangements, including but not limited to the functions of Biosecurity Australia and the Australian Quarantine and Inspection Service.

Specifically, the Panel is to provide recommendations on the appropriateness, effectiveness and efficiency of:

1. current arrangements to achieve Australia's ALOP;
2. public communication, consultation and research and review processes;
3. resourcing levels and systems and their alignment with risk in delivering requisite services; and
4. governance and institutional arrangements to deliver biosecurity, quarantine and export certification services.

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: CPD 11 (continued)

In undertaking this review, the Panel should consult with relevant domestic and international stakeholders and, where appropriate, benchmark Australia's arrangements in an international quarantine context. The Panel should also have regard for the 1996 Nairn Review into quarantine, and other relevant reports.

The Department of Agriculture, Fisheries and Forestry will provide secretariat services, including appropriate scientific, technical, policy and administrative support.

The Panel will provide a final report, including recommendations, to the Minister for Agriculture, Fisheries and Forestry by 30 September 2008.

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: CPD 12

Division/Agency: Corporate Policy

Topic: Young people in agriculture

Hansard Page: Written

Senator Williams asked:

It was reported in The Land Newspaper on 16 October that Minister Burke had been talking to the Prime Minister about what possibilities there were to elevate Agriculture into the top echelon of career options for young people.

1. Does the Government/Department have a Plan to help encourage young people into the farming industry, with for example assistance to families with succession planning and grants to 'first farm buyers'?

Answer:

The government supports the development of competitive and self-reliant primary industries through a range of programs, such as the \$130 million Australia's Farming Future (AFF) initiative which comprises a number of elements. By supporting viable industries, young people entering agriculture have the best opportunity to prosper and contribute to the future sustainability of these industries.

The government also provides assistance for primary producers to manage their business, particularly in the face of a changing climate. The Climate Change Adjustment Program is part of AFF and assists primary producers to undertake and receive:

- targeted training activities
- individually tailored adjustment advice
- assistance while they consider their future in farming.

An advice and training grant of up to \$5500 is available to farmers and their partners, if they meet the eligibility test, and may be used to receive advice and training from recognised professional advisers and registered training organisations, TAFE and universities. The grant may also be used for activities such as financial assessment and planning, including succession planning. Additionally, rural financial counsellors can assist eligible farmers in their planning for the future.

AFF also includes funding for community networks and capacity building activities. This will support activities that aim to increase the leadership and representative capacity of target groups, including young people, to improve primary industry productivity and build rural, regional and remote community resilience to a changing climate.

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: CPD 12 (continued)

For example, the government is supporting initiatives to communicate to young people the value and importance of primary industries, such as the Primary Industries Education Foundation. The foundation will commission projects to provide students and career advisors with a greater understanding of the contribution primary industries make to Australia.

The government also supports a number of initiatives to increase young people's involvement in, and awareness of the issues confronting, primary industries. For example, the government has provided \$17 500 to the NSW Young Farmers' Forum, \$80 000 to the ABC's Heywire initiative.

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: CPD 13

Division/Agency: Corporate Policy

Topic: Young people in agriculture

Hansard Page: Written

Senator Williams asked:

Does the government have a plan to stop the flow of our rural youth from the farming sector to mining?

Answer:

The decisions of young people to enter or exit farming (or any other industry) are based on various financial and non-financial issues. Government supports the development of competitive and self-reliant primary industries through a range of programs and initiatives. One such initiative is the \$130 million Australia's Farming Future (AFF) initiative which comprises a number of elements, including:

- The Climate Change Research Program—providing funding for research projects and on-farm demonstration activities.
- FarmReady—to help industry and primary producers develop skills and strategies to help them deal with the impacts of climate change.
- Climate Change Adjustment Program—assisting farmers in financial difficulty to manage the impacts of climate change.
- Community networks and capacity building activities—focusing on increasing the leadership and representative capacity of a range of target groups, including young people

Under AFF, the government is supporting a number of initiatives to communicate to young people the value and importance of primary industries, including the Primary Industries Education Foundation which will commission projects to provide students and career advisers with a greater understanding of the contribution primary industries make to Australia.