

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2012

Agriculture, Fisheries and Forestry

Question: 230

Division/Agency: Agricultural Productivity Division/Rural Industries Research and Development Corporation

Topic: Funding to Rare & Natural fibres & deer industry

Proof Hansard page: Written

Senator HEFFERNAN asked:

1. Does RIRDC fund new industries such as Rare & Natural fibres and deer industry?
2. If so, how much funding have they received over last 3 years and are there guidelines for how the funding is to be spent?
3. If no funding is allocated, why not?
4. With growers' levies in this industry allocated to RIRDC, are there any departmental Key Performance Indicators (KPS's) or guidelines issued to this industry so growers feel they are getting value for money?
5. With regard to the mohair industry, do all growers pay a statutory levy? If so, how much is the levy?
6. I understand some mohair growers do not pay a levy, why not? Can you provide a complete list of mohair growers who pay a levy and those growers who do not pay the levy?

Answer:

1. Yes.
2. The rare natural animal fibres industry received \$622 469 and the deer industry received \$53 190 over the last three years.

The guidelines for how funding is spent are outlined in the Rare Natural Animal Fibre five-year Research and Development (R&D) Plan, and the Deer five-year R&D Plan, both of which have been developed in consultation with industry.

3. Please refer to the response to question 2.
4. An advisory committee comprised of industry participants provides advice to the Rural Industries Research and Development Corporation (RIRDC) on industry priorities, and project selection, and monitors the progress of projects and communicates the R&D results back to industry. There is a Rare Natural Animal Fibres Advisory Committee, comprised of mohair, cashmere and alpaca producers, and a Deer Advisory Committee.
5. Yes. Mohair producers must pay the goat fibre levy. The levy rate is 1.5 per cent of the sale value of the fibre.
6. Goat fibre producers are exempt from the goat fibre levy if the total amount of levy they would pay in a calendar year would be less than \$50. They would also be exempt from the levy if they deliver fibre to a buying or selling agent and the total amount of levy

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payable by the agent in a calendar year on fibre received from all producers would be less than \$50.

No. The producer (the person who owns the goat fibre immediately after it is removed from the goat) is liable to pay the levy. However, when producers sell their fibre via an intermediary, such as a broker or agent, the intermediary must pay levy to the department on behalf of a producer and can recover the amount of levy paid from the producer. The intermediary is not required to submit information on the producers on whose behalf they have paid the levy, therefore the department cannot provide a list of producers who have paid the levy.

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Question: 291

Division/Agency: Agricultural Productivity Division/Rural Industries Research and Development Corporation

Topic: Kangaroo industry research

Proof Hansard page: Written

Senator RHIANNON asked:

In February 2012, in answer to a question on notice I was told the RIRDC “does not allocate any funding towards the marketing and promotion of Australia’s kangaroo industry in Australia or overseas”.

1. How does this statement reconcile with the Rural RDC’s statement on its website that RDCs “commission and manage targeted research and foster uptake and adoption based on the identified needs and priorities of both industry and the Australian Government”[1]?
2. The abstract of the 2011 RIRDC report, “California, New York, the World and Kangaroos” [2] states:
This RIRDC report describes a project aimed at securing unrestricted market access for kangaroo industry products into New York and California. The project provided background research and information to assist passage of legislation in both destinations.

Prior to this project, both California and New York had legislation preventing the sale of kangaroo products. Both markets are critical to ongoing kangaroo industry development, both in terms of the level of actual trade with them, but more so, in their global significance.

Would the Minister agree that given the explicit stated aim of the report was to “secure unrestricted market access for kangaroo industry products” and to influence “passage of legislation in [New York and California] to allow importation of kangaroo products, this could constitute “marketing and promotion overseas”?

3. Given the RIRDC is a statutory authority, yet its core business is “the profitability, productivity and sustainability of RIRDC’s portfolio”[3], including the kangaroo industry, does the Minister agree that the RIRDC’s commissioned researchers and reports can only be biased towards the continued shooting of kangaroos?

[1] <http://www.ruralrdc.com.au/Page/About/About.aspx>

[2] <https://rirdc.infoservices.com.au/items/10-220>

[3] P161, Portfolio Budget Statements 2012-13, Budget Related Paper No 1.1, Agriculture, Fisheries and Forestry Portfolio: Rural Industries Research and Development Corporation, p161

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Answer:

1. The Rural Industries Research and Development Corporation (RIRDC) has not and does not allocate funding towards the marketing and promotion of Australia's kangaroo industry in Australia or overseas. This reconciles with the Council of Rural Research & Development Corporation's stated intention to "commission and manage targeted research and foster uptake and adoption based on the identified needs and priorities of both industry and the Australian Government."

The 2011 RIRDC report, "*California, New York, the World and Kangaroos*" was a report on the outcome of research that provided information to the Australian kangaroo industry to assist that industry to understand what was needed to gain greater market access in two key American markets – New York and California. This research did not promote Australian kangaroo meat and/or skins in those markets. It provided the industry with information that would facilitate it to achieve improved market access outcomes.

2. No. This type of market access-related research is entirely consistent with RIRDC's core business, which is to improve the profitability, productivity and sustainability of RIRDC's portfolio industries, including the kangaroo industry. Conducting research that provides any of RIRDC's portfolio industries with information about market access is within the remit of the Corporation.
3. No.