

AUSTRALIA: ESTIMATES OF SUPPORT TO AGRICULTURE

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DEFINITIONS AND SOURCES

Table 1. Agricultural Support Estimates / Total Transfers contains country Total Support Estimate (TSE) and derived indicators, which cover all agricultural production, i.e. all agricultural commodities produced in the country. Definitions of basic data sets refer to the specific programmes applied in the country. For the Producer Support Estimate (PSE) and Consumer Support Estimate (CSE), each policy measure is classified according to implementation criteria, which include: the *transfer basis* of support (output, input, area/animal numbers/receipts/income, and non-commodity criteria); whether support is based on *current or non-current basis*; whether *production is required* or *not* to receive payment. Each policy measure is also assigned several “labels” indicating additional implementation criteria. “MPS commodities”, which vary across countries, are those for which the market price support is explicitly calculated in Tables 4.1 – 4.16.

Table 2. Breakdown of PSE by Commodity and Other Transfers provides a breakdown of the total PSE into four categories reflecting the flexibility given to farmers regarding which commodity to produce within the various policy measures. These categories are: Single Commodity Transfers (SCT); Group Commodity Transfers (GCT); All Commodity Transfers (ACT); and Other Transfers to Producers (OTP). All data sets in Table 2 come from Tables 1 and 3.1 – 3.16 where definitions are included.

Tables 3.1 – 3.15 Producer Single Commodity Transfers contain producer SCT by commodity, which are calculated for Australia for the following commodities: wheat, barley, sorghum, oats, other grains, rice, sugar, rapeseed, sunflower, soybeans, milk, beef and veal, pig meat, poultry meat, sheep meat, wool, eggs, and cotton, provided that the value of production of that commodity exceeds 1% of the total value of production. In addition, SCT for “other commodities” is also calculated (Table 3.16), which covers transfers to *single commodities other than MPS commodities*. All data sets in the calculation of producer SCT by commodity come from Tables 1 and 4.1-4.16 where definitions are included.

Tables 4.1 – 4.16 contain **Market Price Support (MPS)** and **Consumer Single Commodity Transfers** (consumer SCT) by commodity, calculated for the same set of commodities as **Tables 3.1 to 3.16**. Definitions are provided only for basic data sets from which all the other data sets in this table are derived.

Definitions of the indicators, criteria for classification of policy transfers included in support estimation, and methods of calculation are contained in the PSE Manual (*OECD’s Producer Support*

Estimate and Related indicators of Agricultural Support: Concepts, Calculations, Interpretation and Use [<http://www.oecd.org/tad/support/psecse>].

TABLE 1: Australia: Total Support Estimate

Definitions:

I. Total value of production (at farm gate): Total agricultural production valued at farm gate prices, i.e. value (at farm gate) of all agricultural commodities produced in the country [1].

I.1. Of which share of MPS commodities (%): Share of commodities for which MPS is explicitly calculated (in Tables 4.1-4-16) in the total value of agricultural production.

II. Total value of consumption (at farm gate): Consumption of all commodities domestically produced valued at farm gate prices, and estimated by increasing the value of consumption (at farm gate) of the MPS commodities according to their share in the total value of agricultural production [(II.1) / (I.1) x 100].

II.1. Of which MPS commodities: Sum of the value of consumption (at farm gate prices) of the MPS commodities as indicated in Tables 4.1-4.16.

III.1 Producer Support Estimate (PSE): Associated with total agricultural production, i.e. for all commodities domestically produced [Sum of A to G; when negative, the amounts represent an implicit or explicit tax on producers].

A. Support based on commodity output

A.1. Market Price Support: On quantities domestically produced (excluding for on-farm feed use -- *Excess Feed Cost*) of all agricultural commodities, estimated by increasing the MPS for the MPS commodities according to their share in the total value of agricultural production [(Σ MPS for MPS commodities listed in the rows below) / (I.1) x 100].

A.2. Payments based on output

B. Payments based on input use

B.1. Payments based on variable input use

Fuel Tax Credits (Current Program)

From 1994 this policy was called Diesel Fuel Rebate Scheme (reported in database as Diesel fuel tax rebates) and subsequently in 2003 became the Energy Grants (Credits) Scheme. After changes in the system the scheme was renamed Fuel Tax Credits in 2006. From 1994 to 1998 the reported data includes the fuel rebate for all primary production including fuel rebate for all agriculture commodities, fishing and forestry. From 1999 to present, only includes the rebate for off-road fuel use in agriculture. Precise figures are available with a two year time lag with more recent figures estimates based on budget estimates.

- The PSE classification system states that (Principle 1):

‘...A policy measure is considered for measurement if agricultural producers, individually or collectively, are the only, or the principal, intended recipients of economic transfers generated by it. This is sufficient criterion for inclusion of a policy measure...’

- Under the Fuel Tax Credits program and its predecessors, agriculture was not the principal beneficiary. Fuel programs in Australia have returned fuel excise (a tax) to a range of industries and the list of industries was expanded in 2006.
- Australia requests retrospective removal of the Fuel Tax Credit program (and its predecessors) to 1996 based on the fact that agriculture never received more than 41 per cent of the total program funding in any year in that period. Agriculture has not been the principal beneficiary of Australia's fuel tax credit programs.
- From 2006, the Fuel Tax Credits program became available to a wide range of industries and meets OECD Classification Principle 3:

' general policy measures available throughout the entire economy are not considered in the estimation of agricultural support, even if such measures create policy transfers to/from the agriculture. Thus, a situation of zero support to agriculture would occur when there are only general economy-wide policies in place with no policies specifically altering the economic conditions for agriculture'.

- Due to data problems, Australia is not able to seek removal of the program from 1986 but may seek retrospective removal if data becomes available.
 - The fuel programs have changed a number of times since 1986 and the administrative responsibilities have changed Government Departments.
 - Data from 1986 to 1996 is difficult to source.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Rural Adjustment Scheme 1988-Part A and B (Program ceased 1992)

The Rural Adjustment Scheme 1988 commenced on 1 January 1989 and ran until December 1992 when it was superseded by the Rural Adjustment Scheme 1992. Part A of the scheme delivered support through grants and interest subsidies and was aimed at lifting farm performance through the acquisition of improved skill levels, the adoption of technological developments, an increase in farm size or capital intensity, farm program changes and access to information on technological developments and their application, training needs and opportunities, and appropriate farm programs. Rural Adjustment Scheme 1988 Part B provided short-term interest subsidies on loans as carry-on assistance for farmers who were assessed as having prospects for long-term viability but had experienced a short-term downturn in income due to drought.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Wool Exceptional circumstance

From May 1993 to June 1994 interest rate subsidies were available to eligible wool producers who had experienced a short-term downturn in income as a result of the Government's decision to remove the Reserve Price Scheme for wool. Delivered as part of Exceptional Circumstances provisions under the Rural Adjustment Scheme 1992.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Sugar Industry Assistance Package 2000- Interest rate subsidies (program ceased 2002)

Sugar Industry Assistance Package commenced in 2000 and was replaced by the Sugar Industry Reform Program 2002. Interest rate subsidies were provided to sugar enterprises on loans of up to \$50,000 to enable producers to meet the expenses of replanting crops in the 2001-02 financial years. Interest rate subsidies were also provided on new or existing loans of up to \$100,000 associated with the business of producing sugar cane. The subsidy for general sugar industry loans was subject to an off-farm assets test.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: YES.

Sugar Industry Reform Program 2002–Replanting interest rate subsidy (program ceased 2004)

This policy operated from 2002-2004 and discontinued with the announcement of the Sugar Industry Reform Program 2004. Interest rate subsidies were provided to sugar enterprises on loans of up to \$50,000 to enable producers to meet the expenses of replanting crops in the 2002-03 and 2003-04 financial years. The interest rate subsidies were paid over two financial years at the lower of 50% of the commercial interest rate or 5 percentage points.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: YES.

Citrus Canker Interest Rate Subsidies (program ceased)

From 2005 interest rate subsidies have been made available to affected citrus growers up to a maximum of \$100 000 per year over two financial years. The interest rate subsidies assist those citrus growers and citrus production nurseries affected by the citrus canker outbreak and/or the measures imposed to deal with the outbreak.

Transfers included in the all fruits and vegetables GCT.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Exceptional Circumstances Interest Rate Subsidies (ECIRS) (program ceased)

ECIRS is part of the standard assistance measures offered under the Exceptional Circumstances (EC) arrangements. ECIRS provides interest rate subsidies to farm enterprises and small businesses that are viable in the long term but are in financial difficulties due to an EC event (only farmer assistance is included in PSE). Farms must be within the EC declared area to be eligible. Farm borrowings that may be subsidized include working capital/overdraft, term loans, commercial bills, vendor debts, and equipment finance (but not equipment leases).

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Drought Concessional Loans Scheme

The Drought Concessional Loans Scheme is targeted to those farm businesses that have a financial need as a direct result of drought conditions, but are considered to be viable in the long-term. Loans of up to 50 percent of eligible farm business debt to a maximum of \$1 million will be available. Concessional

loans can be used for debt restructuring, certain operating expenses and drought recovery and preparedness activities. Currently, concessional loans are available to farmers in Queensland, New South Wales, Western Australia, Northern Territory and Victoria, and it is expected South Australian producers will become eligible in due course as well.

Drought Recovery Concessional Loans Scheme

The Drought Recovery Concessional Loans Scheme is available in New South Wales and Queensland. It provides assistance to eligible farming businesses to return to productivity and profitability after unprecedented drought conditions. Eligible farm businesses will be able to access concessional loans for expenses associated with restocking or replanting after a drought that is considered to be equivalent to, or worse than a 1 in 50 year or a 1 in 100 year rainfall deficiency. In Queensland, the loans are also available to those directly impacted by the combined effects of drought and the mid-2011 disruption to live cattle exports to Indonesia.

Irrigation Industry Support Program

The South Australian Government is providing financial assistance to viable farm businesses to ensure the survival of citrus, vines, and other permanent plantings along the River Murray corridor. This is termed the Irrigation Industry Support Program (IISP).

The program provides irrigators a reimbursement grant of up to \$260 per megalitre for water allocations purchased between 1 July 2009 and 28 February 2010, to ensure the survival of permanent plantings.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Northern Territory - Fertilizer Freight Subsidy (program ceased)

The Northern Territory Government provide subsidies to access fertilizers. Details to be completed

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

Farm Finance Concession Loans Scheme

The *Farm Finance* Concessional Loans Scheme provides eligible farm businesses with access to concessional loans for debt restructuring or productivity enhancement activities. The loans are available to farm businesses that are experiencing difficulties servicing their current levels of debt but are viable in the longer term. Eligible farm businesses in each state and the Northern Territory will have access to the concessional loans measure in 2013-14 and 2014-15.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

Tasmanian Freight Equalisation Scheme

The Scheme assists in alleviating the sea freight cost disadvantage incurred by shippers of eligible non-bulk goods moved by sea. Its objective is to provide Tasmanian industries with equal opportunities to compete in mainland markets. A claim can only be made by an eligible person (individual or company) and only for assistance with shipping eligible goods. The Scheme has different eligibility rules, depending on whether the goods are being shipped: north from Tasmania to mainland Australia; south from mainland Australia to Tasmania; or intrastate between the main island of Tasmania and either King Island or any island in the Furneaux Group (KIFG). Additional assistance is available for northbound shipments to mainland Australia from

the islands of the Furneaux Group that must be sent via the main island of Tasmania and require more than one type of transport mode to complete the interstate journey. The Scheme is demand driven and uncapped, with no upper limit to the total annual payment.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

Reef Trust

The Reef Trust was a 2013 election commitment by the government, designed to combine both Australian Government and private funds, with a focus on improving water quality, restoring coastal ecosystem health and enhancing species protection. The Reef Trust is one of the key mechanisms contributing to delivery of the Reef 2050 Plan. It is an Australian Government initiative working with the Queensland Government and the Great Barrier Reef Marine Park Authority, and collaborating with natural resource management organisations, other Australian Government agencies, industry and communities.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: YES.

B.2. Payments based on fixed capital formation

3 year write off on water facilities for primary producers (current program)

From July 2004 this tax concession on water facilities allows primary producers to claim up to one third of capital expenditure on water facilities. Eligible projects include capital repairs, structural improvements and additions to any structure that conserves or conveys water. Estimated value of this benefit also includes the following two tax concessions:

- Landcare deduction for primary producers (current program)
Introduced before 1985, this tax deduction allows primary producers and users of rural land to claim a deduction for capital expenditure on a Landcare operation in the year that it is incurred. Landcare operations may include soil conservation, prevention of land degradation or other related measures.

- Water facilities and land care concession for irrigation water providers (current program)

From 1 July 2004, this tax deduction means certain irrigation water providers can claim an immediate deduction for capital expenditure on Landcare activities and claim a deduction for capital expenditure on water facilities over three years. The measure aligns the deductions available to primary producers and businesses using rural land with deductions available to irrigation water providers which supply those primary producers and businesses with water.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Deduction of the capital cost of telephone lines and electricity connections (current program)

This accelerated write-off provision introduced before 1985, allows capital expenditure incurred in connecting a telephone line to a primary production property and capital expenditure incurred in connecting or upgrading mains electricity to a property on which a business is conducted can be deducted in equal instalments over ten years.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Tax write-off for horticultural plants (current program)

This accelerated write-off provision introduced in 1995, allows capital expenditure incurred in establishing horticultural plants can be written off using an accelerated depreciation regime, with deductions available from the first commercial season. The cost of establishing plants with an effective life of less than three years can be written off in the first commercial year. Plants with an effective life of more than three years can be depreciated over a shorter period than their effective life using the maximum write-off periods set out in the legislation.

Transfers included in the all crops GCT.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Accelerated depreciation for grapevine plantings (program ceased 2004)

Prior to 1 October 2004, this accelerated write-off provision introduced in 1995, allowed capital expenditure incurred in acquiring and establishing grapevines could be written off on a prime cost basis over four years, with the deductions being available from the time the vines were planted. Since 1 October 2004, new grapevine plantings are subject to the capital allowances regime applicable to horticultural plants (see separate entry). That is, the establishment costs of the grapevine may be written off at 13 per cent per annum (the write-off rate applicable to a plant with an effective life of 13 years to fewer than 30 years) with deductions available from the income year in which the grapevine's first commercial season starts.

Transfers included in the all fruits and vegetables GCT.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Rural Adjustment Scheme 1992—Productivity improvement (program ceased 1997)

This policy ceased in 1997 and was superseded by provisions of the Agriculture Advancing Australia package. Interest rate subsidy provided under the Rural Adjustment Scheme 1992 up to a maximum value of 50 % of the total interest payable on new or existing loans for up to 3 years. The total amount of interest subsidy could not exceed AUD 100 000 per applicant in any 12 month period, or a cumulative total of support of AUD 300 000 over the previous 5 years.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Valuation of livestock from natural increase

South Australia - Riverland Sustainable Futures Fund

Financial support to projects that are a priority for community and economic development within the Riverland Region of South Australia. RSFF is a \$20m fund, available over since 2012 for 4 years and is accessible by organisations and businesses to fund projects that "improve infrastructure, support industry attraction and help grow existing businesses". Grants are available for up to 50% of eligible project costs. Applicants must be able to demonstrate the value of the project to the State and/or the Riverland region, and how it either diversifies the economy of the region or builds on the region's competitive strengths.

Use of labels: Sub-national, Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Victoria - On Farm Productivity Improvement Grants

Since 2012, a grant of up to \$3000 per farm business is available to assist eligible farmers in regions most affected by drought to implement on-farm infrastructure and productivity improvements excluding irrigation infrastructure. The grants will fund half the total cost up to a maximum grant of \$3000. Farmers are able to use the grants to undertake infrastructure improvements such as Fodder storages and systems, reticulated water systems using water troughs for stock, feed pads or feed troughs to minimise feed losses and improvements in packing sheds or on-farm nurseries for seedlings. The grants cannot be used for purchases associated with irrigation infrastructure or plant and equipment including field bins.

Use of labels: Sub-national, Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

NVIRP 2 On-farm Project

NVIRP 2 On-Farm Project aims to deliver farm irrigation system upgrades so that Victorian farms realise the full benefit of both off and on farm modernisation, delivering water from the dam to the plant with optimal efficiency. Water savings in the program are expected to be 20 gegalitres (LTCE) which comprise of 10 gegalitres (LTCE) of water transferred to the Commonwealth for the environment and 10 gegalitres (LTCE) retained on farms to increase productivity.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: YES.

Live Trade Interest Rate Subsidies

Since 2011 the Australian Government provides financial assistance up to \$6.8 million to help pastoralists and service businesses affected by the Australian Government's temporary suspension of live cattle exports (the trade) to the Republic of Indonesia. This assistance is provided through the Subsidised Interest Rate scheme and subsidises interest for up to \$300,000 of new business loans, for up to two years. The scheme is available to small and medium pastoralists and service businesses that face a shortfall of working capital due to the effects of the issuing of the Export Control (Export of Live-stock to the Republic of Indonesia)

Use of labels: Production and payment limits: NO; Variable payment rates: No; Input constraints: No.

Commonwealth programs on water efficiency and water entitlements

Since 2010, half of the expenditure on the following programs. The other half is assigned to K Infrastructure off-farm.

On Farm Irrigation Efficiency

This Commonwealth-led competitive grant program is improving the efficiency and productivity of on-farm water use and management. This program is funded under the Sustainable Rural Water Use and Infrastructure Program as part of the Australian Government's Water for the Future initiative. The program is targeted at improving the efficiency and productivity of on-farm water use and management in the Lachlan and southern-connected Murray Darling Basin, acquire unencumbered water entitlements for the Commonwealth, and to assist communities to adjust to a future with less water. Water savings generated through the use of these programs will be shared between proponents and the environment with at least 50 per cent of the water savings transferred to the Australian Government. The Delivery Partners must be eligible organisations that have close relationships with the irrigator communities in the Southern Connected System of the Murray Darling Basin. The key role of the Delivery Partners is to design and manage the overall project that brings together a number of proponent sub-projects. Program funding is directed towards irrigations applied to primary production. The activities that fall under this category include but are not limited to: Installing new or upgrading existing irrigation infrastructure, Improving irrigated area layout or design for the purpose of improving on-farm irrigation efficiency and Ancillary equipment necessary for new or upgraded irrigation systems to function.

NSW Private Irrigation Infrastructure Operators Program

This Commonwealth-led grant program aims to acquire water entitlements generated from the implementation of eligible projects to improve the efficiency and productivity of water use both off and on-farm. Water savings are shared between the Australian Government and the irrigator. This program is funded under the Sustainable Rural Water Use and Infrastructure Program which is part of the Australian Government's Water for the Future initiative. The program is open to irrigators in the New South Wales to improve the efficiency and productivity of water use both off and on-farm.

Supporting More Efficient Irrigation in Tasmania

Funding up to \$140 million towards the development of modern and efficient irrigation in Tasmania, under the Sustainable Rural Water Use and Infrastructure Program of 'Water for the Future'. The Tasmanian Government has also committed funding of up to \$80 million with the remainder of funding provided by the irrigators who benefit from individual projects. This commitment aims to ensure that the water resources within Tasmania's irrigation sector are used in a sustainable and efficient manner, whilst contributing to the outcomes of Water for the Future - using water wisely and securing future water supplies; securing a long-term sustainable future for irrigation communities in the context of climate change and reduced water availability into the future; and accelerating Tasmania's implementation of National Water Initiative commitments.

NSW State Priority Projects

These projects comprise a suite of water efficiency initiatives that aim to invest in efficient irrigation systems, improve water quality and increase environmental flows, install accurate meters, contribute to a sustainable future for irrigation dependent communities and return a share of water savings to the Murray-Darling Basin's rivers, wetlands and floodplains. Objectives: Metering (\$196.76 million); Basin Pipes (\$136.20 million); Irrigated Farm Modernisation (\$83 million); and Healthy Floodplains (\$49.01 million). The State is required to co-contribute 10 per cent of the project costs.

SA Private Irrigation Infrastructure Program

This Commonwealth-led grant program aims to acquire water entitlements generated from the implementation of eligible projects to improve the efficiency and productivity of water use both off and on-farm. Water savings are shared between the Commonwealth and the irrigator. This program falls within the in-principle funding commitments made through the Intergovernmental Agreement on Murray Darling Basin Reform signed at COAG on 3 July 2008. This program is funded under the Sustainable Rural Water Use and Infrastructure Program which is part of the Australian Government's Water for the Future initiative. The program is open to irrigators in the South Australian Murray to improve the efficiency and productivity of water use both off and on-farm. Eligible integrated water management projects generating water savings for the Australian Government may include the following activities: Upgrading, closure, restricting or reconfiguration of water delivery systems; Upgrading of on-farm irrigation infrastructure for direct customers of eligible irrigation infrastructure operators; Installing or upgrading of on-farm meters; Upgrading or installation of delivery system operation technologies; Changes to river operation or storages where there are both environmental benefits and water savings to be achieved.

QLD On Farm Healthy Headwaters Water Use Efficiency Project

This project invests in efficient irrigation systems and technologies that reduce water loss, deliver long-term economic benefits, and return a share of water savings to the Basin's rivers, wetlands and floodplains. This program is funded under the Sustainable Rural Water Use and Infrastructure Program as part of the Australian Government's Water for the Future initiative. The project assists farmers in the Queensland Murray Darling Basin to invest in water efficient irrigation systems and technologies. Phase 1 includes a detailed basin appraisal study, supporting extension, education, industry development and marketing activities and up to two rounds of on-ground (on-farm) infrastructure efficiency works. Irrigators holding tradable surface water entitlements in the Queensland Murray Darling Basin catchments are eligible to apply for funding to improve the efficiency of their on-farm irrigation infrastructure. In return for Australian Government investment in projects, applicants are required to share at least half of the project water savings to be acquired by the Australian Government for environmental priorities. Water savings nominated by applicants for permanent transfer must be an unencumbered, tradable surface allocation, and may be supplemented or un-supplemented.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: YES.

Victoria — First Farm Grant

The First Farm Grant aims to increase the proportion of young people in farming in Victoria. The initiative provides a grant of up to A\$10,000 to a young farmer (under 35 years old) to develop their farm business.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: YES.

Victoria — Young Farmers Duty Exemption and Concession

From 1 July 2011, in Victoria, 'young farmers' buying their first farmland property are able to obtain a full stamp duty exemption on purchases worth up to A\$300,000. For the purchase of a single parcel of farmland valued between A\$300,000 and A\$400,000, a duty concession will also be available. The exemption is aimed at encouraging young people to enter and stay in the industry and applies to contracts entered into on or after 1 July 2011. The State Tax Laws Amendment (Budget and Other Measures) Act 2013 has extended the threshold for the young farmers' duty exemption and concession on single title purchases from A\$400,000 to A\$750,000. Accordingly, eligible young farmers that purchase a single parcel of farmland for a value which does not exceed A\$600,000 will receive an exemption from duty on the first A\$300,000. A duty concession will apply for purchases of a single parcel of farmland valued in excess of A\$600,000 but not in excess of A\$750,000. The increase in the threshold will take effect from 29 June 2013, i.e. the day after the State Tax Laws Amendment (Budget and Other Measures) Act 2013 received Royal Assent.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Australian Government Innovation and Investment Fund – Tasmania

The Australian Government Innovation and Investment Fund – Tasmania (AGIIF) is a competitive merit-based grants programme. It supports new projects that create sustainable business growth and job opportunities that will help strengthen the Tasmanian economy.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

B.3. Payments based on on-farm services

Rural Leadership Development (Program Ceased 2008)

Aimed at developing leadership skills of young people, women and indigenous people. Rural Leadership Development initiatives were available for rural women, young people (18-35 years) and indigenous people working in agricultural, fisheries, forestry, natural resource management and food processing industries.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Farm Innovation (program ceased 2004)

Launched as a three-year pilot program of grants in May 2000 (discontinued in 2004), the Agriculture Advancing Australia Farm Innovation Program had the objective to encourage the adoption of innovative and already researched and trialled practices, processes, production techniques, technologies and products in the farming, fishing, food and forestry industries. Applicants needed to be registered rural businesses with an annual turnover in the range of AUD50 000 to \$3 million in any of the preceding three years, and not exceeding AUD3 million in any one year. Projects selected for grant funding received up to 50% of

eligible project costs (capital items, input costs and demonstration). Successful applicants were required to match grant funds.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Rural Adjustment Scheme 1988- skill Enhancement (program ceased 1998)

Policy commenced in 1985 and ceased in 1998. It was replaced by Business and Marketing Skills measures in the Rural Adjustment Scheme 1988. Budgetary expenditure for improving farmers' farm management skills and providing professional advice, either in isolation or as part of an integrated package of measures to increase the productivity of farm businesses.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Farm Business Improvement Program (FarmBis) (Program Ceased June 2008)

Commencing with the 1997-98 implementation of the Agriculture Advancing Australia package, this programme has also been formerly known as the Agriculture Advancing Australia FarmBis program, FarmBis- Skilling Farmers For the Future and the Farm Business Improvement Program (FarmBis). The current version of the FarmBis program started in 2004-2005 with funding support until 2007-2008 and provides financial support to assist farmers, fishers and those involved in natural resource management to participate in learning activities to improve their management skills. The program is aimed at farm business improvement and is part of the Government's Agriculture Advancing Australia package.

FarmBis support is for activities around farm financial management that enhance the skills of participants to manage their business, natural and human resources. Preference is given to group training activities.

The subsidy rate is 50 percent of eligible course costs or 75 percent for Indigenous participants. Participant's eligibility is based on meeting some criteria, including: primary producers or primary production enterprise; indigenous land owners/managers; rural land managers; training provider; fishers for commercial purposes; and group of two or more businesses.

The AAA FarmBis program ceased on 30 June 2008. The program provided assistance for primary producers, rural land managers and indigenous land managers to undertake approved education and training activities to build business and natural resource management skills.

Primary producers (including wildcatch fishers), rural land managers and indigenous land managers were eligible for subsidies of up to 65 per cent towards the costs of approved business and natural resource management education and training activities. Each participating State/Territory, through ministerially appointed bodies (FarmBis State Planning Groups), established specific eligibility criteria that applied in their jurisdiction, within the constraints of Bilateral Funding Agreements.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Advanced Property Management Planning (program ceased 2000)

Advanced Property Management Planning was a component of the FarmBis program implemented with the Agriculture Advancing Australia package in 1997, which ceased with the 2000 review and reforms. Describes budgetary expenditure to assist farmers to attend advanced property management training courses and to engage professional consultants in the field of advanced integrated farm management planning, taking account of financial, natural resource and regional planning.

Use of labels: Production and payment limits: NO; Variable payment rates: YES ; Input constraints: NO.

Sugar Industry Reform Program 2002- Viability test and business planning (program ceased 2004)

This policy operated from 2002-2004 and was replaced by business planning initiatives in the Sugar Industry Reform Program 2004. Funding for viability tests and business planning assistance was provided to producers to enable them to examine the viability of their individual sugar enterprises. An amount of AUD1, 500 (exclusive of GST) was available to sugar enterprises for this (a limit of AUD750 of this was available for the preparation of a business assessment). This assistance ensured that sugar enterprises addressed the need to facilitate necessary change.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Sugar Industry Reform Program 2002 and 2004 – Industry Guidance Group and Regional Advisory Groups (program ceased 30 June 2008)

This Sugar Industry Reform Program 2002 operated from 2002-2004 and was replaced by industry oversight groups and regional advisory groups in the Sugar Industry Reform Program 2004. The groups were set up to advise the Commonwealth and State Governments on the priorities for government programs relating to sugar in this region.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Assistance to the Vegetable industry (program ceased 30 June 2008)

In 2005 the Australian Government allocated AUD3 million to help the vegetable industry to implement strategies identified in the 2005 report Setting Directions for the Future of the Vegetable Industry. The Australian Vegetable Industry Development Group was formed in 2006 to further this work and will encourage sustainable businesses, strengthen industry relationships and accelerate R&D priorities through training and assistance. This initiative will run until June 2008.

Transfers included in the all fruits and vegetables GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

National Livestock Identification System (current program)

A National Livestock Identification System was agreed in 2003, with implementation compulsory in some sectors from 2005. One-off financial grants were provided to the States to assist in the implementation of this system, and to Meat and Livestock Australia to assist with development of the National Livestock Identification System database. The National Livestock Identification System enables effective livestock identification and tracing and assists in managing animal disease outbreaks, food safety incidents and providing assurances to consumers and markets about the integrity of Australian livestock and livestock products.

Transfers included in the all livestock GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

State program-Extension and Advisory (current program)

Entry describes a range of payments/policies for State Extension and Advisory services commencing in 1987 until the present. Data taken from budgetary expenditure of State governments on extension and advisory services to agricultural producers to enhance production practices, promote ecologically sustainable development, etc. State Governments report against relevant programs each year and this data is aggregated into a single line in the PSE.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Sugar Industry Reform Program 2004 – Sugar Business Planning (program ceased 2006)

Introduced in March 2004 under the Australian Government's Sugar Industry Reform Program 2004, this policy ceased effect in 2006. Business planning assistance up to \$2500 was provided to cane growers and harvesters receiving income support (with up to \$1500 for those not receiving income support) to develop and implement business plans, to ensure they fully assess their situation and could better position their operation for the future or consider alternative outside the industry. The cost of this programme, including administration, is up to \$14 million over three years.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Sugar Industry Reform Program 2004 – Retraining Assistance (program ceased June 2007)

This assistance was announced with the Sugar Industry Reform Program 2004 and is available to 30 June 2007. Includes grants for retraining support for harvesters, mill workers and other industry employees made redundant through the reform process, as well as for growers who chose to leave the sugar industry. The Australian Government is providing up to AUD7 million (including administration) in re-training in recognition that the reform process resulted in some displacement of industry participants. Existing programs in sugar regions received additional funding over three years. Growers who receive a Re-establishment Grant are also eligible for up to AUD2 000 in Retraining Assistance under this programme to help growers develop the skills to find other careers when they leave the sugar industry.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Sugar Industry Reform Program 2004 – Sugar Crisis Counselling (program ceased June 2008)

Under this component of the Sugar Industry Reform Program 2004, up to AUD5 million is available from March 2004 to 30 June 2008 for crisis counselling services for families in the sugar industry. The funding has allowed many people from the sugar cane industry to access valuable financial counselling and family support services. These services assisted individuals and families in the sugar cane industry by providing crucial information and support such as assisting with the development of budgets and advocating on behalf of clients with creditors.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

National weeds strategy

The objective for this program is controlling weeds of national significance threatening the natural environment and agriculture.

Transfers included in the all crops GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

State program-Pest and Disease

Brings together net budgetary expenditure of State governments on disease and pest control programs. State Governments report against relevant programs each year and this data is aggregated into a single line in the PSE.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Ovine Johnes Disease Interim Surveillance Program and Ovine Johnes' Disease Control and Evaluation Program (program ceased 2004)

The six-year National Ovine Johne's Disease Control and Evaluation Program, commenced in 1998 and concluded in June 2004. It was an initiative of the livestock industries and State and Australian governments and was managed at the national level by Animal Health Australia. States were responsible for managing and implementing operational aspects of the program. At the conclusion of the program the national sheep industry now has a better understanding of the extent of the disease within Australia and also the challenges facing producers and governments who implement control and management programs. The disease was more widespread than had been initially anticipated and a traditional control program, based on regulation, is now considered unnecessarily restrictive on trade.

Transfers included in the all ruminants GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Citrus Canker Eradication Program (program ceased 23 January 2009)

The National Citrus Canker Eradication Program was established in 2005 within the Queensland Department of Primary Industries and Fisheries to deal with an outbreak of citrus canker, detected in a commercial citrus orchard near Emerald in central Queensland in June 2004. The costs of removal and destruction of infected trees is shared by the Australian Government (50%) and the citrus producing states.

Transfers included in the all fruits and vegetables GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Wildlife and Exotic Disease Preparedness Programs

Describes a number of programs reported since 1987, consisting of Australian Government grants to the States to support State monitoring and surveillance as well as applied research, to identify and prepare for potential outbreaks of exotic diseases such as Newcastle disease, Foot and Mouth Disease and BSE. There are a number of different programmes under this title, such as the feral animal control program, which support this output.

Transfers included in the all livestock GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Australian Plagues Locust Commission (current program)

Describes funding since 1987 for the Australian Plague Locust Commission, which was established in 1974 to overcome the inherent difficulties in controlling infestations of insects capable of migrating long distances across state boundaries and which pose a threat to agriculture. The Australian Plague Locust Commission monitors infestations and introduces controls as necessary to ensure plague locusts remain under control. The Commission is funded by the Commonwealth (50%) and state (50%) governments.

Transfers included in the all crops GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Tuberculosis Freedom Assurance Program (program ceased 2006)

From 1998 to 2006 the Commonwealth Government contributed to a national program (co-funded by industry and the states) to maintain Australia's freedom from bovine tuberculosis. The Commonwealth provided 50% of the program's funding over the eight years of operation.

Transfers included in the all livestock GCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Farm Help (program ceased 30 June 2009)

Farm Help financial grant programs are available to farmers facing severe financial difficulties and who are unlikely to obtain a loan from a financial institution. The program provides up to:-

- 12 months income support (based on Newstart Allowance); and
- \$5 500 for an Advice and Training grant.

Farm Help provides support while farmers consider options for their future and take action to improve their long-term financial prospects. Farm Help also provides **up to**:

- \$75 000 for a Re-establishment Grant (based on asset testing as described in *Eligibility Criteria*) and/or
- \$2 500 for recipients re-entering the program requiring further advice and training.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Drought Assistance – Professional Advice and Planning Grants (Current Program)

Professional Advice and Planning Grants (up to \$5 500, GST inclusive) enable eligible farm enterprises to access professional business and financial advice and planning assistance for the purpose of developing written business plans incorporating drought and risk management strategies. The Grants were announced on 24 October 2006 as part of a package of additional drought assistance measures. The scope and

eligibility criteria were broadened on 25 September 2007.

The Grants assist farm businesses to undertake viability assessments, develop written drought management plans or business plans that include drought or risk management strategies, or seek further advice on issues raised in these plans that will assist them to effectively manage drought.

Grant recipients can access an additional \$2 200 to re-evaluate their plans after a minimum of six months, providing they have applied for and used the funding prior to the program end date of 30 June 2009.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Climate Change Adjustment Program

Assists farmers in financial difficulty to manage the impacts of climate change. Farm Business Analysis and Financial Assessments and professional advice and training are individually tailored to help farmers adjust to climate change and to set goals and develop action plans to improve their financial circumstances. Rural financial counsellors can assist eligible farmers to take action to improve their long term financial position. Re-establishment assistance provides farmers who sell their farms with assistance to re-establish themselves.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Murray-Darling Basin Irrigators Assistance Package - The Irrigation Industries Workshop program (Current Program)

The Irrigation Industries Workshop program is a grant program targeted at five focus industries – wine-grape, horticulture, dairy, rice and cotton with \$7.5 million made available to deliver the program. The information sessions will provide irrigators with information specific to their industry and region. The aim of the sessions is to assist irrigators in the Murray-Darling Basin to manage challenges and risks associated with the current water resource issues, and broaden their planning and risk management options in order to cope with low water allocations this irrigation season. Funding allocation to each industry was based on the number of farmers and/or farming entities in the industry population group, the diversity of the sectors within that industry and the geographical dispersion of the industry across the Murray-Darling Basin.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Drought Mentors (Current Program)

Extensive areas of regional South Australia remain in, or are just emerging from, an extended period of drought. An increasing number of farm businesses have been significantly affected in various ways. Some businesses are now at a stage where people affected are considering whether they can continue and/or making decisions to significantly alter their operation.

People involved in these businesses, particularly decision makers and managers, are showing increasing signs of physical, mental and emotional stress. In some cases this is manifesting itself in an inability to objectively examine their operations for the future and make key decisions.

There are currently a wide range of programs and service providers available to assist individuals and families involved in farming businesses to make positive decisions about their future. However, these programs and services are restricted to dealing with matters within specialist areas and often do not have

time to work with clients on the broad range of matters. In a number of cases, families/individuals are not engaging with these specialists' providers, in some instances because they have not worked out what their key needs/issues are. Information from a number of sources indicates that a number of affected families/individuals are looking for someone credible to talk to.

Through working face to face with farming businesses (families and individuals) and networking with relevant service providers, the Drought (Family and Business) Mentors will:

- Assist clients to progress toward/make positive decisions relating to their future (whether inside or outside of farming)
- Connect clients with other resources/service providers to action decisions made by the client or where further information/specialist help is required to properly consider an option.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Rural Financial Counselling Service SA Inc

The continuing drought conditions and prolonged financial stress being experienced by many farmers requires the ongoing provision of rural financial counselling services at a level above those which would have been required had there been no drought. The Rural Financial Counselling Service has recorded over 700 clients per year in the Riverland in the last two years. We anticipate a continuing demand for services in the Riverland, while most other areas across South Australia will be maintained until there is major recovery from drought.

The service aims to provide appropriate support to clients who would not otherwise require assistance, except for circumstances directly resulting from drought and water issues in South Australia. Support activities include an ongoing information service to rural communities through attendance and participation in providing information at community events and forums across the state, including "Planning for Recovery" sessions and other drought response forums. Individual assistance on an 'as needs' basis will be provided and followed up on a case by case basis. Counsellors will work with clients to identify action items for them to work towards.

Major support including information sessions are planned for dairy farmers.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Technical Advice and Skills Development

River Murray Irrigators:

- Aims to support government and industry in making strategic decisions in a rapidly changing landscape
- Support irrigation industries and communities who choose to adapt to changing environment and business conditions through:
 - "Irrigator Toolkit" development and maintenance
 - Aerial survey of South Australian Murray Darling Basin irrigated crops

- Farm Business and risk management/irrigation efficiency project

Provision of Community and Industry Drought Liaison Role

The focus is drought related impacts upon the communities and industries of the River Murray Corridor including:

- Providing executive role to community and industry forums
- Providing opportunistic and targeted Department of Primary Industries and Resources of South Australia (PIRSA) representation at regional and government forums
- Supporting the State Drought Manager, Premiers Special Advisor on Drought and Regional Drought Coordinators
- Facilitate inter agency operational coordination of resolving issues
- Coordinate increasing intra and interstate knowledge and understanding of issues by region, industry and communities.

Irrigator Employment Pathways Project

- Facilitate transition of non-viable irrigators in a time of extreme water restrictions and economic hardships to other forms of employment.

Enhancing the resilience of Permanent Horticulture Phase 2

- Monitoring and evaluating the impacts of reduced irrigation allocations on survival and productivity of permanent horticulture crops
- Contribute to maintaining on-form monitoring of impacts of reduced allocations on irrigated properties across the Riverland and Sunraysia. It will also provide funds to finalise a citrus drought recovery trial, underway at the Loxton Research Centre.

Improved targeting of fertiliser input by drought affected farmers

- Increase the use of Phosphorus soil testing, particularly amongst farmers whose enterprises have been impacted by drought stress.
- Comprehensive testing by this group of farmers will increase certainty with respect to the selection of paddocks where fertiliser inputs can be reduced without yield penalty. Paddocks which will respond to fertiliser inputs will also be identified.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

South Australia — Weed Management Program

Activities aimed at eradicating Branched Broomrape weed.

South Australia — Miscellaneous Pest and Disease control

Miscellaneous pest and disease control, including feral camel management and control of feral pest foxes, dingoes and rabbits.

South Australia — Weed, feral animal management (NRM) Program

Details currently unavailable

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

C. Payments based on current area planted/animal numbers/receipts/income – production required

Sugar Grower Restructuring Grants (program ceased 2006) there are still payments in 2008

Introduced in March 2004 under the Australian Government's Sugar Industry Reform Program 2004, grants at the individual farm level for growers who choose to remain in the industry were provided by the Australian Government in 2005-2006 up to AUD40 million (including Centrelink administration). The grants are available for sugar farm enterprises to undertake significant operational restructuring within the industry. They were paid in two instalments over two years. Grants are paid at a rate of AUD75 per hectare under cane (capped at AUD15 000, or AUD7,500 an instalment). Before accessing restructuring grants, growers are required to undertake Business Planning to develop an activity plan and identify appropriate strategies to maximize the anticipated benefits from the grant.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Farm Family Support

The Australian Government, in partnership with the Western Australian Government, conducted a pilot of drought reform measures in part of Western Australia. Farm Family Support (FFS) is a program under the drought pilot. FFS provides eligible farming families with income support to help them meet basic household needs. It is for farming families facing hardship. FFS also provides case management support. To receive assistance under FFS the farm business must be located in the drought pilot region, the farmer must contribute a significant part of his/her labour and capital to the farm business, the farmer must derive a significant part of his/her income from the farm business, the farmer and his/her partner must satisfy assets and income tests and meet mutual responsibility requirements and the farmer must be an Australian resident and be in Australia.

Time period: From 2010

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Farm Exit Support

The Australian Government, in partnership with the Western Australian Government, conducted a pilot of drought reform measures in part of Western Australia. Farm Exit Support (FES) is a program with capped funding under the drought pilot. Grants were available for eligible farmers in significant financial difficulty who decided to sell their farm. To receive Farm Exit Support the farm must be wholly or partially located in the drought pilot region, the farmer must have owned the farm for at least five years or have taken ownership and control of the farm enterprise (due to death, illness or retirement of another family member) that has been in the family for at least five years; the farmer contributes a significant part of his/her labour and capital to, and derive a significant part of your income from, the farm enterprise; the farmer sold the farm on commercial terms and at arm's length between 1 July 2011 and 30 June 2012, for applicants in the expanded south west area of the pilot region, and between 1 July 2010 and 30 June 2012, or earlier if all program funds are fully committed before that date, for applicants in the remainder of the region, in both cases, as long as the program has funds available; immediately before the sale the farmer was effectively in control of the farm business; the farmer was an Australian resident and resided in Australia; and the farmer satisfied an assets test and had not received an exit grant, re establishment grant or restructuring grant under previous Australian Government packages

Time period: From 2010

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Stronger Rural Communities

Stronger Rural Communities (SRC) is a program under the drought pilot. SRC provided grants of up to \$300,000, to local government authorities and community organisations to fund projects that build the resilience of rural communities and help them manage hardship resulting from an agricultural downturn.

Time period: From 2010

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Building Farm Businesses

Building Farm Businesses is a program under the drought pilot. The program provides grants to assist eligible farm businesses to manage and prepare for the impacts of drought, reduced water availability and a changing climate. The program commenced on 1 July 2010. The available grants are: Farm Business Adaptation Grants— for eligible activities that support farm business to manage and prepare for the impacts of drought, reduced water availability and a changing climate; Landcare Adaptation Grants— for eligible activities that have a natural resource management focus, have a broader public benefit and are consistent with state and national natural resource management priorities.

Time period: From 2010

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO

Special Disaster Flood Assistance Scheme (Queensland)

The Special Disaster Flood Assistance Scheme was a relief measure established under agreement between the Australian and Queensland Governments to assist in meeting the needs of primary producers who have suffered direct damage from monsoonal flooding in Queensland. The nature of the assistance provided under the scheme is a non-repayable grant to help an eligible business entity to cover the costs of the following: purchasing, hiring or leasing plant, equipment or materials to clean premises or a property; clearing or disposing of debris, damaged goods or injured or dead livestock; repairing buildings other than houses, and repairing or replacing fencing on a property; repairing or reconditioning essential plant or equipment; leasing temporary premises for the purpose of resuming trading; engaging a person to conduct a safety inspection of premises or to check the health of livestock or poultry; purchasing fodder or saving crops or feed for stock; and paying wages to an employee of the entity, if the payment is more than the wages ordinarily paid to the employee.

Time period: From 2010

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO

Exceptional Disaster Assistance Scheme (Queensland)

This program is designed to assist primary producers that suffered direct and extreme damage from the November 2010 to January 2011 flood event or Tropical Cyclone Yasi. It contains a loan and grant package of up to a maximum of \$650,000 (including a grant up to \$50,000). The maximum grant available

is the lesser of 25% of the total amount of the assistance or \$50,000. The \$2.55M listed is based on 51 approved loans receiving the maximum \$50,000 grant component.

Time period: From 2010 to 2011

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO

Flood Assistance to Primary Producers (Tasmania)

The program provides financial assistance to primary producers as a result of the January 2011 flood in respect to clean up and restoration. It includes grant assistance for clean up and restoration work under the National Disaster and Recovery Arrangements (NDRRA) to primary producers impacted by the heavy rainfall and subsequent floods.

Time period: 2011

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO

Locust Response (Victoria)

Once off funding to cover chemical rebate, aircraft, contractors for ground spraying, chemical purchases for public land and general operating expenses.

Time period: 2011

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO

Flood Grants (Victoria)

Assist farmers and small businesses recover from the effects of direct flood damage.

Time period: 2011

Transfers included in All Commodity transfer ACT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO

Carbon Farming Initiative

The Carbon Farming Initiative (CFI) is a voluntary carbon offsets scheme. This Australian Government initiative allows farmers and land managers to earn carbon credits by reducing greenhouse gas emissions (such as nitrous oxide and methane) and storing carbon in vegetation and soils through changes to agricultural and land management practices (also known as carbon farming). These credits can be sold to individuals and businesses for the purposes of offsetting the greenhouse gas emissions of their business operations. This can create additional income for Australian farmers and land managers who choose to take part in the initiative. The CFI commenced in 2011 and will be transitioned into the Emissions Reduction Fund (ERF) once this program commences, which is expected to be 1 July 2014. The ERF will expand the CFI to a wider range of activities and sectors as well as simplify some of the requirements for participation. While ERF participants will continue to have the option of selling carbon credits to businesses voluntarily offsetting

their emissions, the Australian Government will also purchase abatement through a reverse auction system. All current CFI activities will be eligible under the ERF.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: YES

Queensland — Drought Relief Assistance Scheme (DRAS): freight subsidy

The Drought Relief Assistance Scheme (DRAS) is a scheme set up by the Queensland Government to help primary producers in the grazing industries manage their livestock resource during drought and to help in the restoration of that resource after drought. DRAS is administered by primary industries officers in the Queensland Department of Agriculture Fisheries and Forestry in Brisbane. DRAS provides freight subsidies on the transport of fodder and water during the drought and the transport of animals returning from Agistment and animals purchased for restocking after the drought. DRAS provides up to a maximum A\$20,000 per property per financial year on all freight subsidy and rebate types. This may be exceeded with support from the relevant Local Drought Committee and the Department's Director General.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO

Queensland — Disaster Relief Assistance Scheme: freight subsidy

Under the Disaster Flood Assistance Scheme, the Queensland Government provides grants to assist in meeting the needs of primary producers and small businesses who suffered direct damage from flooding. Grants of up to \$5,000 per disaster event are available for eligible primary producers located within a disaster-declared area under joint Commonwealth/State Natural Disaster Relief and Recovery Arrangements (NDRRA), or where a primary producer has a current Individual Disaster Stricken Property (IDSP) declaration. The grants are paid via rebates to assist, for example, with the movement of emergency fodder for livestock to the primary producer's home property, building, fencing materials, machinery and equipment.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO

Farm Household Allowance

The Farm Household Allowance (FHA) provides eligible farmers and their partners who are experiencing financial hardship with assistance and support to improve their long-term financial situation. The allowance is delivered by the Department of Human Services and is be paid fortnightly at a rate equivalent to Newstart Allowance (or Youth Allowance for those under 22 years). Support will also be provided through a dedicated case manager to help recipients assess their situation and develop a plan for the future.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

D. Payments based on non-current area planted/animal numbers/receipts/income – production required

Sugar Industry Reform Program 2004—Sugar Farms Intergenerational Transfer Scheme (program ceased 30 June 2007)

Introduced in March 2004 under the Australian Government's Sugar Industry Reform Program 2004, the scheme aims to ensure cane farms can be more readily handed from one generation to the next through tax reductions on intergenerational transfer in the sugarcane industry. Sugarcane growers who satisfy certain criteria have a three year window of opportunity to gift their farm without attracting the disposal (gifting) of assets rules that apply to government income support payments.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Sugar Industry Reform Program 2004—Sugar Income Support (program ceased 2005)

To help farming families most in need, the Australian Government's Sugar Industry Reform Program 2004 provided up to 12 month income support from 2 March 2004 to 1 March 2005 to help those growers and harvesters in financial hardship. All eligible customers had to undertake business planning activities within six months of being granted Income Support.

Transfers included in the Sugar SCT.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

E. Payments based on non-current area planted/animal numbers/ receipts/income – production not required

Sugar Sustainability Grant (program ceased 2005)

Part of the Sugar Industry Reform Program 2004, AUD146 million in Sustainability Grants was paid to growers and mills in two equal instalments in June 2004 and in September 2005. The payments were made to: mills that were engaged in the manufacture of sugar from cane (operational as at 29 April 2004); and eligible growers who supplied mills in one or more of the crushing seasons during the Base Period (2001, 2002 and 2003 seasons). An eligible grower was an (individual or corporate) entity which: had a Supply Agreement during the Base Period with the Mill Owner for the supply of cane; and at 29 April 2004, was growing sugar cane for the purpose of supplying an Eligible Mill for the 2004 crush. Payment of the second installment of the grants was conditional upon the sugar industry as a whole demonstrating evidence of reform, but there was no individual requirement for production or otherwise to receive the grant.

Transfers included in the Sugar SCT. Use of labels: Input constraints: NO.

Farm Management Deposit Scheme (current program)

Part of the Agriculture Advancing Australia package in 1997-98, the Farm Management Deposit Scheme replaced the Income Equalisation Deposit Scheme and Farm Management Bond Scheme. The Farm Management Deposit Scheme allows farmers to reduce their tax liabilities by setting aside money in high income years and withdrawing it as income in low income years. It reports the value of tax concessions available to enhance farmers' capacity to manage the significant climatic and price risks in farming with improved financial tools.

Use of labels: Input constraints: NO.

Income Equalization Deposit Scheme (program ceased 1998)

This policy ceased in 1998 and was replaced by Farm Management Deposit Scheme in the Agriculture Advancing Australia package. The value of income tax concessions to primary producers as estimated by the Industry Commission [11] [15].

Refer Farm Management Deposit Scheme for further details.

Use of labels: Input constraints: NO.

Dairy Structural Adjustment Program (program ceased 30 June 2009)

Announced September 1999, the Dairy Structural Adjustment Program provided quarterly installments over eight years to producers with an interest in an eligible dairy farm enterprise on 28 September 1999. The dairy farm enterprise must also have delivered milk to a company or other organisation during the 1998/99 financial year as entitlements are based on historical deliveries of manufacturing and market milk during that year. Payment of Standard Payment Rights granted to eligible dairy farmers commenced in the last quarter of 2000. An additional eligibility criterion was that a producer had not received any other types of Commonwealth assistance after the program was announced. Producers were asked to declare whether they had applied for, or received, a re-establishment grant under the Farm Family Restart Scheme (now called Farm Help) or a re-establishment grant under the Rural Adjustment Scheme or a rural partnership program.

Use of labels: Input constraints: NO.

Income Tax averaging for primary producers (current program)

Long-standing tax concession reported since 1988, which allows farmers to be taxed at their average rate of income over a rolling 5-year period (flattening out fluctuating incomes and therefore tax brackets). The value of the concession reported from data published annually in Department of the Treasury documents (see tax concessions entry in cookbook). Value represents the difference in the agricultural sector's income tax liability with and without income averaging [7].

Use of labels: Input constraints: NO.

Exemption of sugar industry exit grants (program concluded 2007):

Introduced in 2003-2004 as part of the Sugar Industry Reform Program 2004, individuals who exit the industry and remain out of the agricultural industry for at least 5 years are exempt from paying Capital Gains Tax on the sale of their property.

Use of labels: Input constraints: NO.

Sugar Re-establishment Grant/Exit assistance SIRP 2004 (program concluded June 2007)

Programs formed under the Australian Government's Sugar Industry Reform Program's of 2002 and 2004. Under this assistance the Australian Government provides re-establishment grants to growers who wish to leave the sugar industry for at least five years or leave agriculture altogether. Re-establishment grants are paid once the farm property has been sold or retired from cane production, or the farmer has ceased to be involved in the sugar enterprise. Customers do not have to qualify for Income Support to gain access to the Re-establishment Grant; however, assets tests do apply.

Transfers included in the Sugar SCT.

Use of labels: Input constraints: NO.

Exceptional Circumstance Provision

Policy commenced as part of the Rural Adjustment Scheme and was replaced by the Agriculture Advancing Australia package in 1997. The policy was for farmers whose farm business incomes have been adversely affected by exceptional circumstances (such as extreme and prolonged drought). The policy included interest subsidies.

Use of labels: Input constraints: NO.

Exceptional Circumstance Relief payment—Drought (as 5 may 1998) (AAA)

In 1997, the Exceptional Circumstances Relief Payment was introduced as income support to replace the Drought Relief Payments. Exceptional Circumstances Relief Payments are designed to provide targeted 'last resort' income support to farm families in Exceptional Circumstances declared areas who are experiencing difficulties meeting basic living expense. Exceptional Circumstances Relief Payment help to ensure that long-term viable farm families will not be forced to leave the land due to short-term adverse events that are beyond their ability to manage. Exceptional Circumstances Relief Payments provide income support for the duration of an Exceptional Circumstances declaration (usually for up to two years). Exceptional Circumstances Relief Payment is paid to eligible farmers at the rate equivalent to the Newstart (welfare safety net payment) Allowance and is subject to an income and assets tests (except for certain farm assets which are excluded) and is reviewed every six months. While originally included as budgetary expenditure under the Agriculture Advancing Australia package, Exceptional Circumstances Relief Payments are no longer part of the Agriculture Advancing Australia package.

Use of labels: Input constraints: NO.

Exceptional Circumstance Relief payment—Rain

In 1997, the Exceptional Circumstances Relief Payment was introduced as income support to replace the Drought Relief Payments. Exceptional Circumstances Relief Payments are designed to provide targeted 'last resort' income support to farm families in Exceptional Circumstances declared areas who are experiencing difficulties meeting basic living expense. Exceptional Circumstances Relief Payment help to ensure that long-term viable farm families will not be forced to leave the land due to short-term adverse events that are beyond their ability to manage. Exceptional Circumstances Relief Payments provide income support for the duration of an Exceptional Circumstances declaration (usually for up to two years). Exceptional Circumstances Relief Payment is paid to eligible farmers at the rate equivalent to the Newstart (welfare safety net payment) Allowance and is subject to an income and assets tests (except for certain farm assets which are excluded) and is reviewed every six months. While originally included as budgetary expenditure under the Agriculture Advancing Australia package, Exceptional Circumstances Relief Payments are no longer part of the Agriculture Advancing Australia package.

Use of labels: Input constraints: NO.

Drought Relief Payment Scheme

In 1994, the Drought Relief Payment was introduced to provide welfare support to farmers experiencing a temporary loss of income and it was replaced by the Exceptional Circumstances Relief Payment in 1997. The Drought Relief Payment was paid under the Farm Household Support Act 1992 to eligible farmers in areas declared to be in Exceptional Circumstances drought. Payments were made at the level of the JobSearch Allowance (the unemployment benefit). Farm assets were excluded from the assessment of applications for Drought Relief Payment, although a test on off-farm assets applied. In recognition that the

difficulties of the drought would not cease immediately with the first rains, the Drought Relief Payment was to be available for six months after the Exceptional Circumstances declaration was lifted.

Use of labels: Input constraints: NO.

Farm Family Restart Scheme (FFRS) – Income support (program ended 2004)

The Farm Family Restart Scheme commenced on 1 December 1997, and was renamed Farm Help in the 2000 review of the Agriculture Advancing Australia package, to provide short term financial assistance in the form of income support (as well as training, advice and a grant to support reestablishment outside the industry reported elsewhere). The assistance aims to help farmers while they take action to improve their long-term financial prospects, either by improving the financial performance of their farm enterprise, finding alternative sources of off-farm income or re-establishing outside farming, should they choose to do so. Income support is subject to income and non-farm assets tests. To qualify for Farm Help a person must, for a continuous period of at least 2 years before applying for the program, have been a farmer for tax purposes, largely by deriving more than 50 percent of his or her gross income from the farm enterprise.

Use of labels: Input constraints: NO.

Exceptional Circumstance interim income support (current policy)

Policy commenced as part of the 2000 Agriculture Advancing Australia package reforms. As a full Exceptional Circumstances declaration may take some time, farm families are eligible for interim payments if they are experiencing difficulties meeting basic living expenses in areas declared to have a *prima facie* case for Exceptional Circumstances assistance. Farmers in areas under assessment for Exceptional Circumstances assistance (*prima facie* Exceptional Circumstances areas) are eligible to apply to Centrelink for six months of interim income support at a rate equivalent to the Newstart (welfare safety net payment) Allowance. The income support is subject to an assets and income test (except for certain essential farm assets, which are excluded). When the Government makes a full Exceptional Circumstance declaration for a *prima facie* area, Interim Income Support is replaced by the Exceptional Circumstance Relief Payment.

Use of labels: Input constraints: NO.

Murray-Darling Basin Small Block Irrigator Exit Grant Package -

The \$57.1 million package available until 30 June 2009 was announced on 20 September 2008. Small block irrigators in the Murray Darling Basin affected by drought and climate change can get help to leave irrigation through the Murray-Darling Basin Small Block Irrigators Exit Grant while remaining on their farms.

An Exit Grant of up to \$150,000 is available to farmers who wish to leave irrigation. In addition, a grant of up to \$10,000 is available for removal permanent plantings and other production-related infrastructure and a grant of up to \$10,000 is available for advice and training.

Irrigation Management Grants – part of program above

The government is also providing grants of up to \$20,000 (GST exclusive) to assist Murray-Darling Basin irrigators to implement water management strategies. Grants are available to help irrigators undertake a range of approved activities that address reduced water allocations and improve on-farm practices to maximise production from the water that is available.

The Murray-Darling Basin (MDB) Irrigation Management Grants program provides grants of up to \$20,000 (GST exclusive) to eligible MDB irrigators to undertake a range of activities that respond to

reduced water allocations and improve on-farm practices to maximise the productive use of available water. The program is available until 30 June 2009.

Applicants are required to demonstrate they meet the definition of a 'farmer' for Exceptional Circumstances (EC) Relief Payment purposes. Applicants must also meet the off-farm assets test that applies to the EC Interest Rate Subsidy at the time of application. The grant is available to applicants who have an irrigation business within the MDB or draw water from the MDB as their sole source of irrigation water. The irrigation business must have existed on 25 September 2007. The grant is available to irrigators who are not Australian citizens or permanent residents.

Environment program (State)

This program comprises:

New South Wales:

Funding for programs for preventing and mitigating degradation of land and water resources associated with agricultural production.

Northern Territory: Natural Resource Management

To identify land resources and to evaluate their opportunities and constraints to ensure appropriate land management practices which conserve, enhance, and where appropriate, rehabilitate land resources and to promote and support community Landcare.

Tasmania:

Provision of services to agricultural producers covering policy and regulatory frameworks to ensure equitable and sustainable provision of surface and groundwater resources and to limit environmental damage and to encourage sound practices to minimise soil erosion, salination and water damage.

Western Australia: Salinity and natural resource management

Salinity control, soil conservation and nutrient management; land resource assessment and monitoring; engineering and water management.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: ENV.

Transitional income support

This program is linked to the climate change adaptation program and provides short-term income support and advice and training opportunities to farmers in serious financial difficulty, while they adapt their farm to changing circumstances, including climate change.

Transitional Income Support assistance aims to provide short-term income support to facilitate continuing adjustment and exit from the industry for primary producers that are in financial difficulty or are recovering from drought. Income support payments are conditional on the farmer implementing their action plan. Farmers can access the program through Centrelink and will undertake an initial financial assessment process to determine eligibility and to assist them to understand the commercial implications of climate change.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

Victoria: Farming Family Shire Rate Assistance

This initiative was announced as part of Victoria's drought policy.

The State funded Shire Rate Assistance is available to eligible farming families receiving Exceptional Circumstances Relief Payments from Centrelink. Eligible farmers receive a 50% concession on their municipal rates and charges.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Victoria - Bush Tender

This is an auction-based approach to protecting and improving the management of native vegetation on private land: landholders competitively tender for contracts to better protect and improve their native vegetation. Successful bidders receive periodic payments for their management actions above those required by current legislation, under agreements signed with the Victorian Department of Sustainability and Environment (DSE). The management of native vegetation on private land is also important for the conservation of native flora and fauna. The management of native vegetation depends on the substantial efforts of private landholders. The program began in 2012.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

F. Payments based on non-commodity criteria

F.1. Payments based on long-term resource retirement

Tobacco Grower Adjustment Assistance Package 2006 (Program ceased 30 June 2008)

Restructuring Grants of up to \$150 000 were available to former tobacco growers to help them adjust into alternative economic activities. Funding of up to \$45.9 million was available under the Program.

Funding under the program was available to all eligible bona fide tobacco producers. A bona fide tobacco producer must

- have held, or operated under, a producer's licence that was cancelled by the Australian Taxation Office in February 2004 for north Queensland growers and 30 September 2006 for south Queensland and Victorian growers;
- have had a shareholder interest in the relevant tobacco industry Co-operative at February 2004, for north Queensland growers and 26 October 2006 for south Queensland and Victorian growers; and
- not have been convicted of, or charged with, illicit tobacco production or trade. If a charge is ultimately withdrawn, or a conviction not recorded, then a grant may become payable

Drought Package 2007 – Re-establishment Assistance (Current Program)

EC Exit Package – Eligibility Criteria

The EC Exit Grant is available to farmers who have decided to sell the farm and leave the land. The taxable grant offers a one-off, time-limited payment of up to \$150 000 (GST inclusive) for farmers in an EC declared area (including *prima facie* and interim declared areas).

The net asset limit for the Exit Grant is \$350 000, however if net assets exceed this limit a reduced grant is accessible. For every \$3 of assets above the threshold, the grant is reduced by \$2. If net assets exceed \$575 000 a farmer cannot receive a grant of any amount.

The EC Advice and Retraining Grant

The EC Advice and Retraining Grant of up to \$10 000 (GST inclusive) is available to farmers and their partners who successfully applied for the EC Exit grant to access professional advice and retraining assistance to help in the planning processes associated with farm exit. The grant will assist farmers and their partners to plan and prepare for the future; and to undertake re-training to find careers and employment away from farming. The grants recognise that individual assistance and specialised advice across a range of areas is required to assist with re-establishment outside of farming due to the drought.

The EC Relocation Grant

The EC Relocation Grant of up to \$10 000 (GST inclusive) is available to farmers and their partners who meet the eligibility requirements for the EC Exit grant and are relocating to pursue employment opportunities away from the farm. The grant aims to assist farm families in EC declared areas to access job seeking and relocation assistance so that farmers taking the EC Exit Grant will be able to move away from farming to other careers in locations around Australia.

F.2. Payments based on specific non-commodity output

Biodiversity Fund

The Biodiversity Fund assists land managers to store carbon, enhance biodiversity and build greater environmental resilience across the Australian landscape. It provides support for the establishment of native vegetation or better management of existing native vegetation. The Biodiversity Fund is a program under the Australian Government's Land Sector Package of the Clean Energy Future plan. It is designed to help land managers establish, manage and improve the condition of native vegetation on their land as well as reduce the effects of climate change by improving landscape resilience, increasing stores of carbon and reducing greenhouse gases. The fund commenced in 2011 and will end in June 2018. The cost of measure is estimated at \$A382.9 million over the seven years.

F.3. Payments based on other non-commodity criteria

Farm Household Support Scheme (FHS) 1992 (program ceased May 1997)

The Farm Household Support Scheme came into operation in March 1993, and was terminated in May 1997. The program provided up to 9 months of welfare-equivalent income support for day-to-day living expenses to those farm families who were unable to access commercial finance. If the recipient subsequently sold the farm, the income support received was converted to a grant. If not, then it was to be repaid. When the scheme was terminated, the outstanding debts were converted to grants and the very few farmers who repaid the loan were reimbursed for the repayments they had made.

G. Miscellaneous payments

III.2 Percentage PSE [$100 \times (\text{III.1}) / ((\text{I}) + (\text{Sum of A2 to G}))$]

III.3 Producer NPC: For all agricultural commodities the producer NPC is estimated as a weighted average of the producer NPC calculated for the individual MPS commodities and shown in Table 4. For each commodity Producer NPC = [domestic price received by producers (at the farm gate) + unit payments based on output] / border price (also at the farm gate).

III.4 Producer NAC [$1 / (100 - (\text{III.2})) \times 100$]

IV. General Services Support Estimate (GSSE): total budgetary expenditure to support general services provided to agriculture [Sum of H to M].

H. Agricultural Knowledge and Innovation System

H.1. Agricultural Knowledge Generation

New Industries Development (NIDP) (Program ceased 2009)

The New Industries Development (NIDP) delivered a set of integrated strategies to support and showcase innovative small to medium Australian agribusiness enterprises commercialising new products, technologies and services and also help them in developing the skills and aptitude necessary to capture new market opportunities. The program has been closed and no further rounds will be funded, but existing grant contracts will be honoured. The program will conclude in 2008-09.

Food Innovation Grants program (Program ceased March 2008)

The *Food Innovation Grants program* was a competitive; merit based granting program providing dollar for dollar matched funding to Australian-based firms to undertake research and development (R&D) projects. The program commenced in 2002 and was administered by the National Food Industry Strategy Ltd.

CSIRO Plant and Animal Research (Current Program)

CSIRO is Australia's Commonwealth Scientific & Industrial Research Organisation. Funding allocated to CSIRO for Plant and Animal Research represents the Australian Department of Agriculture Forestry and Fisheries employing the scientific and research services of the organisation.

State program:

Net budgetary expenditure of State governments for research and product development, improvement of production efficiency and optimal use of the natural resource base.

The Climate Change Research Program

This program will provide funding for research projects and on-farm demonstration activities. (\$31.2 million over four years, combined with \$15 million over three years from the Climate Change and Productivity Research Program).

Provides \$46.2 million over four years to fund research and development activities to assist the agriculture sector to manage emissions; and encourage on-farm adaptation and adjustment to climate change. Funding will be provided for research projects and on-farm demonstration pilots that significantly contribute to reducing emissions and improving adaptive capacity; and encourage collaboration across research

organisations and state agencies to ensure large scale funding proposals and cross sectoral application. 98% of the expenditure is assigned to knowledge generation, while 2% is for knowledge transfer.

South Australia — Value chain projects aimed at improving the competitiveness of industry sectors

A consultancy study to undertake analysis of the supply chain and undertake consumer research specific to the livestock (lamb), horticulture (potato), dairy industries. The project commenced in 2011-12 and was due to be completed in the same year — some expenditure occurred in 2012-13.

South Australian River Murray Sustainability Programme – Regional Economic Development Element

The National Partnership Agreement on South Australian River Murray Sustainability Programme supports a healthy working Murray-Darling Basin. The Regional Economic Development Element is made up of three components:

- \$7.5 million to redevelop the Loxton Research Centre for agricultural research and collaboration
- \$5.0 million for an Industry-led Research Sub-programme (IRSP) to fund projects to optimise irrigation water use and improve on-farm risk management skills to increase the productivity and market position of primary industries
- \$12.5 million for a Regional Development and Innovation Sub-programme to fund projects that increase employment opportunities and economic diversification

The period of application is from 8 August 2013 to 30 June 2017.

Caring for our Country — Innovation Grants

The Caring for our Country — innovation grants programme provides funding between \$A250,000 and \$A1.5 million on a competitive basis for projects conducted by natural resource management bodies, non-government organisations, industry bodies and landowners to gain knowledge and capacity to adopt innovative production, resource management and supply chain management practices and processes, that will improve the productivity and sustainability of natural resource based industries. Grantees must be legal entities, usually community groups, and funding is not generally available to individual landholders.

The programme provides \$21.2 million in funding for 31 projects to be completed by 30 June 2016.

The period of application is from January 2014 until June 2016.

South Australia - Regional Co-Innovation Clusters programme

Innovation clusters are a widely recognised concept used worldwide as an effective means to stimulate urban and regional economic growth. It is now widely accepted that the productivity and competitiveness of industries that participate in such an initiative, improves significantly. The Regional Co-Innovation Clusters programme designed by PIRSA is a networking and cluster awareness programme to assist project participants get the optimum benefits from enhanced collaboration. This programme consists of a series of workshops focusing on leadership, collaboration, networking and divergent thinking.

South Australia – Almond Centre of Excellence

A \$1 million each year for four years contribution towards the establishment of an Almond Centre of Excellence. The Almond Centre will address current production limitations and provide almond growers

with the ability to maximise yields by working within new environmental constraints, rather than against them. The Centre will include a research and development component.

H.2. Agricultural Knowledge Transfer

H2.a. education

Securing the future - protecting our industries from biological chemical and physical risks:

In 2005-06, the Securing the Future program covered a broad range of activities and programs to minimize risk and develop standards in biological, chemical and physical risk management. Initiatives include training staff in incident management, launching an online chemical permit system and building awareness of security threats to agriculture and the food supply chain. This program replaced “Building a National Approach to Animal and Plant Health” which ceased June 2004.

Farmready

The Australian Government has allocated \$26.5 million over four years to boost training opportunities for primary producers, and to enable industry, farming groups and natural resource management groups develop strategies to adapt and respond to the impacts of climate change.

Two grants are available through the FarmReady program:

FarmReady Reimbursement Grants - primary producers and Indigenous land managers are able to claim up to \$1 500 each financial year to attend approved training courses, with funding also available to cover excess travel, accommodation and child care expenses.

FarmReady Industry Grants – up to \$80 000 each financial year is available to eligible industry, farming and natural resource management groups for projects that develop strategies to manage climate change impacts.

Community Networks and Capacity Building

This Program aims to build the leadership and representative capacity of target groups to strengthen community resilience and the productivity of primary industries.

These groups include:

- women
- youth
- Indigenous Australians and
- people from culturally and linguistically diverse backgrounds.

With increased access to tools and resources, these groups can improve their leadership and management skills, increase participation in industry and more effectively contribute to government and industry decision making. Through CNCB the Australian Government supports a number of initiatives that help to achieve these goals.

Clean Energy Future — Creating Opportunities on the Land — extending the benefits of the Carbon Farming Initiative

The Department of Agriculture is administering elements of the Carbon Farming Futures (CFF) program under the Clean Energy Future – Creating Opportunities on the Land – extending the benefits of the Carbon Farming Initiative (CFI) measure. The CFF program assists farmers and

land managers to access advances in land management practices and abatement technologies to reduce agricultural greenhouse gas emissions and assist them adapt to enhanced productivity and sustainable land use. These advances will allow farmers and other landholders to benefit from the economic opportunities of the CFI while assisting Australia in achieving its long term emission reduction targets.

- Filling the Research Gap (2011–12 to 2016–17) - supporting research into new technologies and practices for land managers to reduce emissions and store carbon in the landscape. The program is also funding a national survey to identify existing land management practices.
- Action on the Ground (2011–12 to 2016–17) - assisting industry and farming groups undertake on farm trials to apply research outcomes in real farming situations.
- Extension and Outreach (2011–12 to 2016–17) - providing technical information and support to assist farmers, land managers and their key influencers to participate in land sector emissions management activities and the CFI.
- Conservation tillage refundable tax offset - providing a 15 per cent refundable tax offset (RTO) for new eligible conservation tillage equipment, jointly delivered with the Australian Taxation Office (ATO). The funding for this measure is administered by the ATO. As part of the Government’s commitment to repeal the carbon tax, it has proposed that the RTO will be terminated one year earlier than originally planned on the 30 June 2014.

The CFF program commenced on 10 July 2011 and is scheduled to end on 30 June 2017.

Climate Change Adjustment Program — Advice and Training Grant

Funding for primary producers to access specialised advice across a range of areas to assist them to adjust to the impacts of climate change. This program ended on 30 June 2012.

Industry Skills Councils — Agrifood Skills Australia Industry Skills Council

The Australian Government provides funds to Agrifood Skills Australia Industry Skills Council to engage with the agriculture sector to develop nationally agreed occupational standards (vocational qualifications). Nationally agreed occupational standards (vocational qualifications) provide a nationally consistent standard against which workers can gain skills, re-skill and up skill. Workforce development advice is available to ensure that training or skills development meets the needs of the enterprise or individual. The current funding agreement is from 1 July 2011 to 30 June 2014.

Small Business Advisory Services (SBAS) — Agricultural component

The purpose of the Small Business Advisory Services (SBAS) is to maximise the sustainability, productivity and/or growth potential of the participating small businesses through access to low cost business advisory services and/or financial management skills of participating small businesses. Any small business can access the services provided by the program. A proportion of the small businesses accessing the program, particularly in regional areas, are from the agricultural sector. The initiative commenced on 1 July 2008 and is expected to end on 30 June 2017.

South Australia - The Management and Protection of Land

Responsibilities include making a determination on whether land management practices or activities could result in or could reasonably be expected to result in unreasonable degradation of land or an unreasonable risk of degradation of land. Key roles include consulting with land owners and offering advice on land degradation issues, providing landowners with technical advice to manage areas at reasonable risk of land degradation or areas of unreasonable risk of degradation of land and working with the Agricultural industry groups and individual farmers to obtain local knowledge and information.

Western Australia – Royalties for Regions

Royalties for Regions is a grants programme aimed at developing Western Australia's regional areas. The majority of grants are not specific to the agriculture sector but the following grants were noted for assisting farmers.

- **Boosting Biosecurity Defences:** The project is building significant capacity within the agricultural sector and within all levels of government to better understand and transform the management of state wide biosecurity risks, to protect and enhance WA's agricultural industries.
- **Regional Natural Resource Management – Carbon Farming:** To meet the costs associated with the analysis of current and emerging policy, legislation and science, opportunity and risk analysis, the development of farm-based carbon farming information and accounting tools as well as the organisation and presentation of an awareness programme.
- **E-Connected Grainbelt – Regional Community Services Fund:** To help Western Australian grain growers will make better informed management decisions through enhanced flow of information between growers, consultants, suppliers, buyers and researchers as well as improved decision tools.

H2.b. extension services

South Australian Rural leadership Program

The South Australian Rural Leadership Program is a six day residential program held annually for 20 participants who demonstrate their potential for leadership roles in rural industries and communities. It is designed to help community, industry and support agency members who are interested in making a greater contribution to their community and recognise the need for greater skill development.

South Australian Rural Leadership Program

- provides exposure to a range of specialised professional leadership development opportunities and experiences for people working in rural industries in South Australia;
- will energise new and existing rural leaders to expand their ability to stimulate rural industry and community development; and
- will establish a network of rural leaders who can share creative ideas and promote opportunities for partnerships between individuals, communities, and industries.

The goals of the program are to:

- Encourage and provide potential leaders with the skills, motivation and confidence to seek an active role in addressing current and future issues affecting their local communities and agricultural industries.

- Produce leaders who are capable of developing and articulating a shared community vision, have the ability to engender enthusiasm and commitment in their regional community, and possess a greater understanding of the concepts of community involvement in planning for their local communities future.

Empower individuals to develop an innovative culture within their local communities, businesses, and industries throughout regional South Australia.

I. Inspection and Control

Commonwealth program:

Net budgetary payments for inspection services, [1b], [2] and [3], in particular for export inspection related to meat inspection. [Since 1993 data reflect the value of the 'meat inspection subsidy" to the AQIS [1a] [2] [15]. Information is missing on the description of these programs.

State program:

Net budgetary payments by State governments for inspection services. Information is missing on the description of these programs.

I.1. Agricultural product safety and inspection

National Produce Monitoring System

The system is designed to provide data on chemical residue status of Australian grown fruit and vegetable crops for which there is no or limited residue monitoring data.

The period of application is from 1 July 2013 to 30 June 2014.

I.2. Pest and disease inspection and control

Other Exotic Disease Preparedness Program (Current Program)

Funding of exotic disease preparedness activities usually in relation to diseases that affect livestock. Projects are agreed under the Exotic Animal Disease (EAD) Primary Industry Standing Committee (PISC) and Primary Industry Ministerial Council (PIMC) approved preparedness strategies.

Plant Pest Eradication (Current Program)

Funding of Ministerial Council decisions on eradication of plant pests (diseases, insects and weeds). A national consultative committee, chaired by the Chief Plant Protection Officer, assesses and makes recommendations on eligibility for eradication through subsidiary committees to PIMC/NRMMC. The consultative committee manages the expenditure of funds to implement decisions that are nationally agreed by PIMC/NRMMC.

Quarantine Research and Preparedness Plan (Current Program)

Work with the horticulture sector to develop and implement a National Fruit Fly Strategy, increase diagnostic capability and commence planning to increase capacity for on-farm biosecurity plans.

Animal Health Australia

The Australian Government provides funding to Animal Health Australia (AHA) for its general operations to facilitate improvements in Australia's animal health policy and practice. AHA builds capacity to enhance emergency animal disease preparedness, to ensure that Australia's livestock health systems support productivity, competitive advantages and preferred market access, and to contribute to the protection of human health, the environment and recreational activities.

Stronger Biosecurity and Quarantine Initiative (SBQI) (Current Program)

The measure (SBQI) delivers the government's election commitment of a competitive agricultural sector through strengthening Australia's biosecurity and quarantine capabilities. Its three elements provide resources to facilitate both rapid response and containment of pest and disease incursions and a focus on import risk analysis (IRA) and quarantine arrangements that better integrate science to minimise the risk of exotic pest and disease incursions. The rapid response capability that the SBQI provides also assists to maintain Australia's market access.

South Australia - Surveillance and Emergency Response System (SERS)

The SERS software is an enabling software package designed to:

Serve as a database for the recording of all disease investigations and has the capacity for epidemiological analysis of disease reports

Record all activities associated with disease control/eradication efforts and has the capacity for strategic analysis of such work so as to underpin critical decision-making.

1.3. Input control

J. Development and maintenance of Infrastructure

Several programs included in the database under this heading have not a description in the cookbook. To be completed..

J.1. Hydrological Infrastructure

Commonwealth programs on water efficiency and water entitlements

Since 2010, half of the expenditure on the following programs. The other half is assigned to B2 based on fixed capital formation, on farm irrigation infrastructure. See B2 for details of the implementation of each program.

On Farm Irrigation Efficiency

NSW Private Irrigation Infrastructure Operators Program

Supporting More Efficient Irrigation in Tasmania

NSW State Priority Projects

SA Private Irrigation Infrastructure Program

QLD On Farm Healthy Headwaters Water Use Efficiency Project

National Action Plan for Salinity and Water Management (program ceased)

The National Action Plan for Salinity and Water Management provides financial support to communities and land managers in 21 highly affected regions to invest in measures to improve salinity and water management, such as the protection and rehabilitation of waterways, improvements to native vegetation, engineering works, and land and water use changes.

Australian Government Water fund (program no longer current)

Announced in September 2004, the Australian Government Water Fund is a \$2 billion Australian Government programme of grants to invest in water infrastructure, improved water management, and better practices in the stewardship of Australia's scarce water resources. The Fund comprises three programmes: Water Smart Australia; Raising National Water Standards; and the Community Water Grants programmes. The Fund supports practical on-ground water projects that will improve Australia's water efficiency and environmental outcomes. The Community Water Grants are not included in reported spending as they are not directed towards agriculture-related projects.

Use of labels: Production and payment limits: NO; Variable payment rates: YES; Input constraints: NO.

South Australia — Drainage Infrastructure Maintenance

A maintenance works program for the surface water drainage network maintained by the SouthEastern Water Conservation and Drainage Board for the benefit of agricultural producers. The program includes: Chemical spraying of vegetation in the earthen drains; Removal of silt deposits in the drains; Repairs or replacement of occupation or farm access bridges. The program commenced on 1 July 2012 and ended on 30 June 2013.

The Sustainable Rural Water Use and Infrastructure

The Sustainable Rural Water Use and Infrastructure Program (SRWUIP) is a national programme investing in rural water use, management and efficiency, including improved water knowledge and market reform, and water purchase for the environment. It is the key mechanism to 'bridge the gap' to sustainable water diversion limits under the Murray-Darling Basin Plan and consists of three main components: irrigation infrastructure projects; water purchase and supply measures

Water related infrastructure and pest management

The Australian Government is providing funding to drought affected farm businesses, in partnership with signatory state governments, to support the improvement of water-related infrastructure and pest management. The funding has been allocated primarily in Queensland and New South Wales, due to their current drought conditions, however arrangements are also now in place for South Australia.

Depending on conditions, funding may be further extended to pest management programs in other jurisdictions. The assistance for pest management under this agreement will be provided by state governments through appropriate on-ground delivery organisations, including natural resource management groups and local governments.

Victorian Farm Modernisation Project

The Australian Government is providing up to \$100 million over at least four years for the Victorian Farm Modernisation Project to support on-farm irrigation infrastructure upgrades on approximately 450 farms in the Goulburn-Murray Irrigation District. At least 55% of the water savings generated by the project will be transferred to the Commonwealth for environmental use while the remaining 45% will be retained by irrigators.

The project was announced 4 December 2013. The first two tranches are expected to end by 31 March 2018. If a third tranche is agreed, the programme will end by 31 May 2019.

South Australian River Murray Sustainability Programme – Irrigation efficiency component

The Australian Government is providing up to \$80 million over four and a half years for the Irrigation Efficiency Improvements programme (a component of the South Australian River Murray Sustainability Programme). The Irrigation Efficiency Improvements programme aims to increase the efficiency of water delivery and use by South Australian irrigators, and secure around 16.8 gegalitres of long term annual average yield water to the Commonwealth for environmental water use.

The programme was announced on 19 December 2013 and is expected to end by 30 June 2018.

J.2. Storage, marketing and other physical infrastructure

Commonwealth program. Fedlink Supplementation for Rural Industries R&D Corporation (Current Program)

Payment to Rural Industries Research and Development Corporation (RIRDC) to allow implementation of Fedlink access – an encryption tool for Australian government agencies.

Fedlink is an innovative and cost effective solution for enabling secure communications between Government agencies. It is a virtual Private Network that provides secure and trusted communications across the Internet. Fedlink was fully implemented in 2001, making access available to all Commonwealth agencies.

Commonwealth program. Murray-Darling Basin 2001 Program:

Budgetary expenditure under the national Heritage Trust for the rehabilitation of the Murray-Darling Basin, with a view to achieving a sustainable development of the Basin, by: reducing salt and nutrient levels in the river system; developing integrated catchment plans for all Murray-Darling catchment areas and commence major on-ground works to address land and water degradation; restoring riparian land systems, wetlands and floodplains; improving the health of key river systems; and encouraging ecological and sustainable land use by reducing salinity and water logging in irrigated areas [1a].

Commonwealth program. Caring for our Country programs (replaced Landcare, Bushcare, Rivercare programs)

These programs are delivered to communities, farmers and other land managers. They provide funding for a wide range of activities, ranging from providing land rehabilitation on private agricultural land to cleaning up public waterways and maintaining beaches. Thus, agriculture is not the only recipient, and is estimated to receive only about 10 per cent of this funding. This is the estimate being used for this year's calculations. However this figure will be revised in future as more accurate estimation methods are currently being pursued with program experts.

Commonwealth program. Regional Partnership Program

Regional partnership program involves grants to communities to undertake projects to provide opportunities for economic and social participation, improve access to services, plan their futures, and make structural adjustments.

Commonwealth program. Regional and Community Projects (Current Program)

The \$75 million Regional and Community Projects is an Australian Government initiative to help the sugar industry and/or its dependant communities by providing funding for a range of regionally based targeted projects that is intended to assist the medium and longer term sustainability of the sugar regions.

Commonwealth program. Live Exports Business Assistance Package

Since 2012, the new regulatory framework governing Australian livestock exports to all feeder and slaughter markets and for all livestock species includes the need for robust exporter supply chain assurance systems. To bring a number of supply chains in export markets up to the required standards improvements in animal welfare management are required and will necessitate investment by Australian industry operators. This Supply Chain Improvements Program supports appropriate investment to underpin the new regulatory framework for livestock exports. At least 20 per cent of program funds are to be used to encourage and promote the use of stunning in the slaughter of Australian livestock exports. The program will reimburse up to 25 per cent of Australian industry investment in eligible activities undertaken to improve animal welfare in approved export supply chains. Program funding will be capped at \$200 000 per exporter per country with an additional \$50 000 per exporter per country for stunning related activities and \$100 000 per supply chain per country.

State programmes. Rural Adjustment:

Budgetary expenditure of State governments on rural adjustment.

State programmes. Land and water conservation:

Budgetary expenditure of State governments on land and water conservation.

Food Processing in Regional Australia Program (Program Ceased June 2008)

The Food Processing in Regional Australia Program, as announced in the 2004 election campaign provided \$12m over four years to assist small-to-medium agrifood and food processing businesses to add value to food in rural and regional Australia. The program concludes in June 2008, and all funds have been allocated over the five funding rounds to date. The program was a competitive, merit-based granting program, providing dollar-for-dollar matched funding for up to half of eligible project costs with a minimum of \$15,000 and a maximum of \$200,000 available per grant.

South Australia - A Regional Development Infrastructure Fund

Funds to facilitate investment in infrastructure that supports sustainable economic development. RDIF is a \$3 million per year fund established in 2012 and administered by The Department of Primary Industries and Regions South Australia (PIRSA). Applications to RDIF are assessed 3

times per year. The closing dates for submitting final applications are March 31, July 31 and November 30 each year. Eligible organisations include Local Government, private sector businesses or industry associations. Eligible infrastructure must support sustainable economic development. The project must be located in a non-metropolitan area of South Australia as defined by the SA Government Regions. The project must have a total expenditure (including infrastructure costs) greater than \$40,000.

J.3. Institutional infrastructure

Commonwealth program. Rural Communities Programme:

Budgetary expenditure under the Agriculture - Advancing Australia -package (AAA) to improve the access of rural communities to information and services, through community planning, financial counseling, information provision, information services technology and community development projects [1a].

South Australia: Drought Assistance Program – Business and Community Support Grants

This project is a direct response to South Australian Government concerns about significant adverse seasonal conditions.

The program provides grants of up to \$5000 to community groups for activities that will contribute to the wellbeing and resilience of rural communities in coping with the drought.

The program aims to administer a grant scheme in collaboration with key stakeholders that has state-wide application for community groups that will support the resilience, well-being and spirit of rural communities affected by drought conditions.

Community Development Grants Programme:

The Australian Government has established the Community Development Grants Programme to support needed infrastructure that promotes stable, secure and viable local and regional economies. The Programme will fund 2013 election commitments and some un-contracted projects from the Regional Development Australia Fund and Community Infrastructure Grants Programme.

J.4. Farm restructuring

Commonwealth program. Re-establishment Scheme (Program ceased)

Budgetary expenditure under the Rural Adjustment Scheme for structural adjustment assistance through producer retirement programme: grants or loans provided to farmers (in financial difficulty and without prospects for long-term profitability) to leave the farming sector. Replaced by the Farm Family Restart Scheme [1a].

K. Marketing and promotion

Several programs included in the database under this heading have not a description in the cookbook. Expenditure on several of the Marketing and promotion programmes is allocated to the two sub-headings K1 and K2 in a 50%-50% basis. This information needs to be improved and completed.

K.1. Collective schemes for processing and marketing

International Agricultural Cooperation (IAC) program (Current Program)

The International Agricultural Cooperation (IAC) program aims to promote rural exports by building bilateral government-to-government relationships, facilitating improved market access and trade growth for portfolio industries and by providing technical and capacity building assistance to targeted trading partners. Activities will strengthen bilateral agriculture relationships with a range of key emerging and existing trading partners.

Projects funded under this program are approved by the Minister for Agriculture, Fisheries and Forestry against selection criteria outlined in the program's guidelines. Projects will enhance and develop new and existing relationships at government-to-government level implemented, as appropriate, through close liaison and partnership with portfolio industry stakeholders (including producers, processors and exporters). Activities funded will promote trade-related activities in the partner country or countries, such as:

- Improved market access and investment opportunities;
- Maintenance of existing markets, including through the resolution of specific market access issues;
- Enhanced rapport between industry to industry, industry to government and/or government to government contacts;
- Strengthened bilateral agri-food/business linkages in support of market development/industry integration; and
- Development of common approaches to improve and/or harmonise regulatory and technical requirements.

Commonwealth program:

Budgetary expenditure on export assistance (EMDGs and IAMP) and the annual grant to the Australian Wool Realisation Corporation [1a], [1b] and [2].

State program: Budgetary expenditure of State governments on export assistance.

National Food Industry Strategy – Centres of Excellence

The National Centre of Excellence in Functional Foods is an internationally recognized center in food innovation and functional food expertise, established in 2003 by the National Food Industry Strategy, to help bring successful food products to domestic and global markets. The Centre aims to strengthen the network between academia and industry and promote the research and development within Australia.

Advancing Agricultural Industries Program (Program ceased 2008)

The descriptions below are components of this line “Advancing Agricultural Industries Program”

Advancing Agriculture Fund (AgFund) (Program ceased 2008)

This program provided grants to producer groups for local initiatives aimed at managing business risks and ongoing change. The AgFund provided up to \$50,000 to producer groups to target local and community level group activities to improve industry's ability to respond to changed market and resource environments. Ag Fund applicants were asked to commit matching contributions (financial and in-kind) to undertake project activities.

Action Grants (Program ceased 2008)

This program element of the Agriculture – Advancing Australia (AAA) package supported projects to improve industry competitiveness and viability, particularly in times of crisis. Agriculture, Fisheries and Forestry industries at both national and regional level were eligible for funding. Projects were to be outcome focused, short-term, customized to a specific industry or issue and assessed case by case. Industry were also required to demonstrate a genuine desire to examine their current position and provide evidence they understood their operating environment. Action Grant applicants were asked to commit matching contributions (financial and in-kind) to undertake project activities.

Industry Stock takes (Program ceased 2008)

This program element of the Agriculture – Advancing Australia (AAA) package supported industries to undertake a self assessment and identify priorities. Agriculture, Fisheries and Forestry industries at both national and regional level were eligible for funding. Projects were to be outcome focused, short-term, customized to a specific industry or issue and assessed case by case. Industry applicants were also required to demonstrate a genuine desire to examine their current position and provide evidence they understood their operating environment.

Food Adelaide Program

This program is aimed at promoting South Australian based agriculture and food companies to improve their exposure, access, and understanding of competing in international markets. Funding is provided to support and promote food companies through Food Adelaide (including farmers) to attend international events.

South Australia Wine Industry Development Program (South Australia)

A market development program to drive food and wine sector growth in domestic and international markets with the objective of creating greater demand for South Australian wines as well as developing new and existing markets for the South Australian wine industry. The program is divided into several components: A market development program including “SA Brand” messaging; Industry education & training aimed at increasing business readiness to export; and Wine export trade initiatives.

Time period: Since 2010.

Horticulture Code of Conduct (Current Program)

To pay the fees of mediators conducting mediations under the *Trade Practices (Horticulture Code of Conduct) Regulations 2006*. All participants in the horticulture growing and wholesaling industries who are subject to the code or have a horticulture dispute are eligible to have the fees of a mediator conducting a mediation under the code paid by the Government.

Victoria — Farmers’ Markets Support Program

The Farmers’ Markets Support (FMS) Program is designed to facilitate the development of farmers’ markets for local fresh food and produce directly to consumers, throughout regional Victoria as well as peri-urban municipalities on the fringes of metropolitan Melbourne. The program will also provide grants to the industry peak body, the Victorian Farmers’ Markets Association (VFMA), to provide ongoing support to farmer’s markets. Regional Development Victoria (RDV) administers the Farmers’ Markets Support (FMS) Program. The program provides:

- Grants of up to A\$10,000 to enable groups to develop a market plan.

- Grants of up to A\$20,000 to assist new farmers’ markets including Training / skills development for Market Manager and stallholders; Publicity and marketing campaigns; Sourcing of stallholders; Small scale infrastructure
- Grants of up to A\$20,000 are available under the Expanding Markets program to assist existing farmers’ markets which are looking to expand.

The program commenced on 1 July 2011 and is due to end on 30 June 2015. The overall budget is A\$2million.

K.2. Promotion of agricultural products

Promoting Australian Produce Program (Current Program)

Three year, \$5 million program that aims to assist Australian food industries develop their capacity to promote and market Australian produce more effectively to both domestic and export markets.

Under the program, matched-funding grants between \$50,000 and \$750,000 are available for food industry organisations to undertake projects based around one or more of the following activities:

- enhancing industry marketing and promotional capabilities
- developing new strategies for industry marketing
- gaining consumer insights
- strengthening links with domestic and international markets.

Promoting Australian Produce (Major Events)

Promoting Australian Produce (Major Events) aims to improve collaboration and cooperation in food and fibre industries. The program will do this by supporting major national events that bring together food and fibre industry participants to encourage information exchange across the production, manufacturing, marketing and distribution chain.

Under the program, grants are available to help stage major national events organised by food and fibre industries that aim, in whole or part, to:

- bring together food and fibre industry participants to encourage information exchange across the production, manufacturing, marketing and distribution chain
- encourage the development and adoption of new technologies and systems that will improve productivity
- encourage industry-wide and/or through-chain collaboration to effectively respond to challenges presented by climate change and globalisation.
-

Promoting Australian Produce (Major Events) is a discretionary grants program, with \$3 million available until 30 June 2009.

Australian Wine Industry Support Program

The program provides funding of \$2.1 million over two years to enable the Wine Australia Corporation to undertake new marketing activities to assist in improving the sales and profitability of the industry. The program commenced on 1 July 2012 and will end on 30 June 2014. The funds are being used by Wine Australia to develop and jointly deliver with industry and Tourism Australia, new programs which will strengthen delivery of Wine Australia’s marketing strategy. The funds are being used in a consumer-focused campaign with two elements:

- **Savour Australia 2013:** Australia’s first global wine forum which was held in Adelaide from 15 - 18 September 2013, and involved international wine trade partners, media and Australian wine companies;
- a program in key international markets of consumer events, retail promotions, tastings, master classes, trade events and educational initiatives.

Small Exporters Package

On 13 May 2014, the Australian Government announced an A\$15 million package over four years to assist small exporters, comprising three components:

- i. a rebate for eligible small exporters will be available in 2014-15 to assist with export registration charges. The rebate will be for 50 per cent of export registration charges to a maximum amount of \$5,000.
- ii. a review of export fees and charges; and
- iii. funding for projects that will help improve market access for small exporters. Funding for these projects will be available for three years from July 2015.

Beef Australia Exposition

The Australian Government Department of Agriculture is providing funding to Beef Australia Ltd, a not-for-profit organization, to run Beef Australia 2015 Exposition in the regional city of Rockhampton, Queensland from 4-9 May 2015.

The event addresses the government’s objectives for the beef industry in relation to improving natural resource management, enhancing agricultural productivity and creating new trade and export opportunities. The event is held every three years.

The period of application is from 1 July 2013 to 30 June 2014.

Brand Australia Global Food Strategy

The Australian Government Department of Agriculture is providing funding to the Australian Trade Commission to develop and deliver a unique brand for Australian food that is built on Australia’s reputation as a producer of premium quality, safe and competitive food products. The aim is to build on Australia’s reputation as a leader in the production of premium food, increase export opportunities by promoting Australian food and raise the profile of our nation’s credentials as a sustainable food producer.

The period of application is from 26 July 2013 to 30 June 2014.

L. Cost of Public stockholding

M. Miscellaneous

V.1 Consumer Support Estimate (CSE): Associated with agricultural production, i.e. for the quantities of commodities domestically produced, excluding the quantities used on-farm as feed -- excess feed cost. [Sum of N to Q; when negative, the amounts represent an implicit tax on consumers].

N. Transfers to producers from consumers: Associated with market price support on all domestically produced commodities, estimated by increasing the transfers calculated for the MPS commodities according to their share in the total value of production $[(N.1) / (I.1) \times 100]$.

N.1. Of which MPS commodities: Sum of the values of transfers from consumers to producers associated with market price support for the MPS commodities as calculated in Tables 4.1 to 4.16.

O. Other transfers from consumers: Transfers to the budget associated with market price support on the quantities imported of domestically produced commodities, estimated by increasing the transfers calculated for the MPS commodities according to their share in the total value of production $[(O.1) / (I.1) \times 100]$.

O.1. Of which MPS commodities: Sum of the transfers to the budget associated with market price support on the quantities imported of the MPS commodities as calculated in Tables 4.1 to 4.16.

P. Transfers to consumers from taxpayers

P.1. Commodity specific transfers to consumers: Sum of commodity specific transfers from taxpayers to consumers (farm gate level) from Table 4.16, including:

Market Milk. Between 8 July 2000 and 22 February 2009, the Government imposed an 11 cents per litre levy on the retail sale of drinking milk, known as the Dairy Adjustment Levy (DAL). The levy was established to fund an adjustment package for the dairy industry as it moved through deregulation. This levy no longer exists and should not be included for any calculations after 2008-09.

P.2. Non-commodity specific transfers to consumers: Sum of non-commodity specific transfers from taxpayers to consumers, including:

Q. Excess Feed Cost: Associated with market price support on quantities of domestically produced crops and used on-farm as feed as calculated (Sum of *Excess Feed Cost* in the MPS Tables 4.1 and 4.2).

V.2 Percentage CSE $[100 \times (V.1) / ((II) + (P))]$

V.3 Consumer NPC: For all agricultural commodities the consumer NPC is estimated as a weighted average of the consumer NPC calculated for the individual MPS commodities and shown in Table 2. For each commodity consumer NPC = domestic price paid by consumers (at the farm gate)/ border price (also at the farm gate).

V.4 Consumer NAC $[(1 / (100 - (V.2))) \times 100]$

VI. Total Support Estimate $[(III.1) + (IV) + (P)]$ and $[(R) + (S) - (T)]$

R. Transfers from consumers $[(N) + (O)]$

S. Transfers from taxpayers $[(III.1) - (N) + (IV) + (P)]$

T. Budget revenues $[(O)]$

TABLE 2. Australia: Breakdown of PSE by commodity specificity and other transfers

All data sets in Table 2 to come from Tables 1 and 3.1 to 3.16 where definitions are included.

Definitions:

I. Producer Single Commodity Transfers (producer SCT): the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm level, arising from policy measures directly linked to the production of a single commodity such that the producer must produce the designated commodity in order to receive the payment. This includes policies where payments are specified on a per-commodity basis [Sum of SCTs for individual commodities from Tables 3.1-3.16].

Percentage producer SCT: is the commodity SCT expressed as a share of gross farm receipts for the specific commodities (including support in the denominator). This indicator can be expressed for the total SCT (Table 2), or for a specific commodity (Table 3.1 to 3.16).

$$\%SCT = 100 * SCT / (\text{Value of production}_{COM} + A.2_{COM} + B_{COM} + C_{COM} + D_{COM})$$

$$\text{Share in Total PSE (\%): } SCT_{SHARE} = 100 * SCT / PSE$$

II. Group commodity transfers (GCT): the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm gate level, arising from policy measures whose payments are made on the basis that one or more of a designated list of commodities is produced. That is, a producer may produce from a set of allowable commodities and receive a transfer that does not vary with respect to this decision [GCT = B_{GROUP} + C_{GROUP} + D_{GROUP}].

$$\text{Share in Total PSE (\%): } GCT_{SHARE} = 100 * GCT / PSE$$

Transfers to specific groups of commodities: the GCT indicator is calculated for Australia for the following groups of commodities: All crops, fruits and vegetables, all livestock, and ruminants.

III. All commodity transfers (ACT): the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm gate level, arising from policy measures that place no restrictions on the commodity produced but require the recipient to produce some commodity of their choice [ACT = C_{ALL} + B_{ALL} + D_{ALL}].

$$\text{Share in Total PSE (\%): } ACT_{SHARE} = 100 * ACT / PSE$$

IV. Other Transfers to Producers (OTP): the annual monetary value of gross transfers made under policies that do not fall in the above three cases (SCT, GCT, ACT). That is, payments that do not require any commodity production at all. [OTP = E + F + G]

$$\text{Share in Total PSE (\%): } OTP_{SHARE} = 100 * OTP / PSE$$

$$\text{V. Total PSE: } PSE = A + B + C + D + E + F + G = SCT + GCT + ACT + OTP$$

$$\text{Percentage PSE: } \%PSE = 100 * PSE / (\text{Total Value of Production at farm gate} + A.2 + B + C + D + E + F + G)$$

TABLE 3. Australia: Producer Single Commodity Transfers (by commodity)

Tables 3.1 to 3.16, provide information on Producer Single Commodity Transfers (PSCT) for the following commodities: wheat, maize, other grains, sunflower, sugar beet, milk, beef, pig meat, poultry, eggs and “other commodities”. All data sets in the calculation SCT by commodity come from Tables 1 and 4.1 – 4.16 where definitions are included.

Definitions:

I. Level of production: Data from respective commodity Tables 4.1 – 4.16 (Market Price Support tables)

II. Value of production (at farm gate): Data for respective commodity Tables 4.1 – 4.16 (Market Price Support tables)

III. Producer Single Commodity Transfers: Sum of transfers to respective single commodity in categories A, B, C and D.

A. Support based on commodity output

A1. Market Price Support [Data for respective commodity from Table 4]

A2. Payments based on output

Payments based on output (A.2) provided to respective single commodity [Data from Table 1]

B. Payments based on input use, single commodity [B.1_{COM} + B.2_{COM} + B.3_{COM}]

B1. Based on variable input use

Payments based on variable input use (B.1_{COM}) provided to respective single commodity [Data from Table 1].

B2. Based on Fixed capital formation

Payments based on fixed capital formation (B.2_{COM}) provided to respective single commodity [Data from Table 1].

B3. Based on on-farm services

Payments based on on-farm services (B.3_{COM}) provided to respective single commodity [Data from Table 1].

C. Payments based on current A/An/R/I, production required, single commodity

Payments based on current A/An/R/I (C_{COM}) provided to respective single commodity [Data from Table 1].

D. Payments based on non-current A/An/R/I, production required, single commodity

Payments based on non-current A/An/R/I, production required (D_{COM}) provided to respective single commodity [Data from Table 1].

IV. Percentage producer SCT : %SCT = 100*(III) / ((II) + (A.2) + (B_{COM}) + (C_{COM}) + (D_{COM}))

TABLE 4. Australia: Market Price Support and Consumer Single Commodity Transfers

Tables 4.1 to 4.16, contain calculation of the Market Price Support (MPS) and Consumer Single Commodity Transfers (consumer SCT) for the following commodities: wheat, other grains, rice, sunflower, rapeseed, soybeans, sugar beet, milk, beef and veal, pig meat, poultry, eggs, sheep meat, wool, cotton and “other commodities”. The data sets used in calculation of the MPS and consumer SCT by commodity are described below.

Definitions:

I. Level of production

Cereals: Total production of grain [1], [2], [3]. See general notes for crop year definitions.

Rice: Total paddy production [1], [2], [3].

Oilseeds: Total production of oilseeds as received at crushers [1], [2], [3].

Sugar: Total cane sugar acquired by crushers between May and December, multiplied by 0.96. [1], [2].

Milk: Total production including milk intake by factories between 1 July and the following 30 June and the whole milk equivalent of farm cream intake, but excluding milk produced for on-farm use. Quantities in litres are multiplied by 1.031 / 1000, to convert them into tonnes. [1] [2]

Beef and veal: Total production in carcass weight of slaughterings (including dairy cattle) and for canned meat production. [1] [2]

Pig meat: Total production in carcass weight of slaughterings, including for canned meat production. [1] [2]

Poultry: Total production of poultry meat (chicken, turkeys and ducks) in carcass weight of slaughterings, including for canned meat production. [1] [2]

Sheep meat: total production in carcass weight of mutton and lamb slaughterings (including for canned meat production), and sheep exported live. [1] [2]

Wool: Total production in greasy equivalent weight of shorn wool (includes crutching), dead and fellmongered wool and wool exported on skins. [1] [2]

Eggs: Commercial egg production, excluding Tasmanian production. For the period 1986-2004, it is calculated by multiplying production in million dozen by 0.665; except for the year 1989, it is estimated by dividing gross value of production by gross unit value [4].

II. Producer prices (at farm gate)

Cereals and oilseeds: Implicit price measured at the farm-gate, obtained by dividing the value of production by the level of production. [1] [2] [4]

Sugar: Implicit price received by cane growers, obtained by dividing the value of production of raw sugar by the level of production of raw sugar, and by 0.96. [1] [2] [4]

Milk: Implicit price at the farm-gate, obtained by dividing the average gross return at the farm-gate by the level of production. [1] [2] [4]

Meats: Implicit price at the farm-gate, obtained by dividing the value of production (intake by abattoirs, valued at the farm gate, plus estimated value of live animal exports) by the level of production. [1] [2] [4]

Wool: Implicit price measured at the farm-gate, obtained by dividing the value of production by the level of production. [1] [2] [4]

Eggs: Implicit price measured at the farm-gate, obtained by dividing the value of production by the level of production

III. Value of production (at farm gate) [(I)*(II)]

IV. Level of consumption (at farm gate)

Cereals: Total consumption of grains for food, feed and seed. [1] [3]

Rice: Total consumption of rice, in paddy weight, derived by multiplying apparent consumption of milled rice by 1.625. [1] [2] [5]

Oilseeds: Total consumption of soybeans, sunflower seeds, and rapeseed (including linseed and safflower seed), all uses, calculated as production minus exports [3].

Sugar: Volume acquired for domestic refining multiplied by 0.96. [1] [2]

Milk: Consumption of market (fresh) milk -- assumed equal to production; plus the consumption of milk products in milk-equivalent, estimated separately for butter, cheese, condensed whole milk and whole milk powder by multiplying domestic consumption of each product by a specific milk yield factor. [1], OECD Secretariat estimates.

Beef and veal: Total apparent consumption of beef and veal, carcass weight. [1], [6].

Pig meat: Total apparent consumption of pig meat (pork plus bacon and ham), carcass weight [1], [6].

Poultry: Apparent consumption, carcass weight equivalent of whole birds, pieces and giblets [1], [6].

Sheep meat: Total consumption of mutton and lamb, carcass weight [1], [6].

Wool: Consumption of virgin wool by the wool textile industry (greasy equivalent) [1]. OECD Secretariat estimates.

Eggs: Consumption assumed to be equal to production.

V. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

VI. Value of consumption (at farm gate) [(IV)*(V)]

VII. Reference prices

Wheat: Unit value of exports of wheat and flour [1], [2].

Rice: In 1986, unit value of exports (f.o.b.) of untreated milled white rice (weighted by domestic disposals of medium and long-grain rice) [7]; since 1987, weighted average of export prices for medium and long-grained rice [1], [2]. The MPS is calculated by comparing the reference price to the weighted average of domestic wholesale prices of the same types of rice.

Sugar: The reference price is the net returns to millers from export sales. 1986-1996, based on calculations by the Industry Commission. Estimated according to a formula that converts the price of raw sugar, f.o.b. Caribbean ports into an estimated sugar price, f.o.b. Thai ports. Adding freight and insurance costs to Australia yields a landed price of raw sugar, c.i.f. Queensland. To the latter price is added the per-tonne tariff rate to yield the import parity price to refiners, which is then increased by 2.75% to adjust for the price premium on Australian sugar. From this number is subtracted an estimate of domestic freight and handling costs, and pool expenses, to yield an estimate of the average net return to millers from domestic sales. The returns to millers from export sales is estimated by taking the f.o.b. Thai port price, adjusting it for polarisation differences, and subtracting export and pool expenses. Sugar tariff was removed in 1997 thus eliminating MPS. [1] [2] [8] [9]

Milk: Border prices of butter, SMP converted into a milk equivalent border price using technical coefficients minus a processing margin, calendar year. The border price of butter is the "average unit export value of butter" [1], the border price of SMP is "average unit export value of skimmed milk powder" [1]. The processing margin is calculated as the difference between the domestic wholesale price (domestic wholesale prices of butter and SMP converted into a milk equivalent price using technical

coefficients) and the producer price. The domestic wholesale price of Butter [1] [6] and the domestic wholesale price of SMP [1] [6].

Sources:

[1] Australian Bureau of Agricultural and Resource Economics (ABARE), "Australian Commodity Statistics", various years, (Canberra: AGPS). Note that prior to 1994 this publication went under the title "Commodity Statistical Bulletin". ABARE, "Commodity Statistical Bulletin" (Canberra: AGPS, various years).

[2] Australian Bureau of Agricultural and Resource Economics (ABARE), "Australian Commodities – Forecasts and Issues", various years, (Canberra: AGPS, December issue). Note that from 1989 through 1993 this publication went under the title "Agriculture and Resources Quarterly"; prior to that it was published under the title, "Quarterly Review of the Rural Economy".

[3] Australian Bureau of Agricultural Economics (ABARE), "Crop Report", December issue, various years (Canberra: ABARE).

[4] Australian Bureau of Statistics, "Value of Agricultural Commodities Produced -- Australia", Catalogue No. 7503.0 (Canberra: AGPS, various years). Australian Bureau of Statistics, "Value of Principal Agricultural Commodities Produced--Australia", Catalogue No. 7501.0 (Canberra: AGPS, latest year).

[5] DAFF replies to the OECD Agricultural Directorate's "Medium-Term Market Developments and Policies Questionnaire".

[6] AGLINK model database.

[7] Industries Assistance Commission, The Rice Industry, Report No. 407 (Canberra: AGPS, 23 October 1987), p. 77.

[8] Industry Commission, "Annual Report" (various years).

[9] Productivity Commission, "Trade & Assistance Review 1997-98".