



Trade & Assistance Review 2001-02

Methodological
Annex B

*Allocating Budgetary
Assistance to Primary
Production by 10 ANZSIC-
based Industry Groupings*

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Introduction

Assistance to industry is defined in the *Productivity Commission Act 1998* as:

... any act that, directly or indirectly, assists a person to carry on a business or activity, or confers a pecuniary benefit on, or results in a pecuniary benefit accruing to, a person in respect of carrying on a business or activity.

Industry assistance measures include tariffs, quotas, anti-dumping duties and regulatory restrictions on imported goods and services, as well as tax concessions and subsidies for domestic producers. Local producers may also benefit from services provided by government which are not priced at their full cost.

The Commission has a statutory obligation to report annually on industry assistance and, as one part of meeting this requirement, the Commission provides annual estimates of budgetary assistance to industry. These estimates cover those budgetary measures that selectively assist particular businesses, activities or industries and can be quantified given practical constraints in measurement and data availability. They cover the budgetary assistance provided by the Commonwealth Government, but not normally that provided by State, Territory and local governments. The estimates exclude outlays on defence, health, education and the labour market. They also exclude measures which are generally available to all firms, such as changes in road funding. The Commission's approach to measuring budgetary assistance is explained in detail in annex A of the *Trade & Assistance Review 2001-02* (PC 2002a), which accompanies this document.

In the past, the Commission has provided estimates of the incidence of budgetary assistance using a simple, four sector classification of the economy. Budgetary assistance measures were allocated under the headings 'primary production', 'manufacturing', 'mining' and 'services'.

To provide a better basis for determining the incidence of assistance, since 2000, the Commission has augmented this approach by also providing a disaggregated breakdown of the incidence of budgetary assistance, using a 27 industry grouping classification system. Under this system, primary production and mining remained as single categories, but the manufacturing and service sectors were disaggregated into various sub-groupings.

To add further detail to its estimates, and to facilitate the calculation of effective rates of assistance to industries in the primary production and manufacturing industries on a more comparable basis, this year the Commission has estimated assistance to primary production using a 10 industry grouping classification. Thus the Commission now estimates budgetary assistance according to a 36 industry grouping classification (plus four 'unallocated' groupings).

In disaggregating assistance to primary production, the Commission has used detailed information to assist in the allocation process and, where necessary, sought advice from government agencies responsible for administering the relevant programs.

In this annex to *Trade & Assistance Review 2001-02*, the Commission:

- explains the new classification system (chapter 1);
- discusses the way budgetary assistance has allocated using the new system (chapter 2);
- provides a program-by-program breakdown of allocations to the primary production industries (chapter 3); and
- reports results using this system for the years 1999-00 to 2002-03 (chapter 4).

The results are also reported, and discussed, in chapter 3 of this year's *Review* (PC 2000b).

Research for this project has been undertaken by Richard Adams, with assistance from Duc Hguyen-hong and Joe Owen. The Commission would welcome any comments on the appropriateness of any particular allocations of budgetary assistance that it has made

1 Industry classifications

The Commission has based its 10 industry grouping partition of the primary production sector on the Australian and New Zealand Standard Industrial Classification (ANZSIC) system (ABS 1993).¹

For the most part, the Commission has disaggregated to the ANZSIC three digit (*industry*) level. The Commission considered that disaggregating at the broader two digit level, as it has used for (most of) the manufacturing sector, offered insufficient detail as it did not distinguish between different agricultural industries which can vary considerably in production characteristics and assistance levels. On the other hand the Commission considered that it was unnecessary to allocate assistance to a more disaggregated level, and in any case difficult to do with a sufficient level of accuracy.

One exception to three digit allocation has been the treatment of the *services to agriculture* and the *hunting and trapping* industries, which have been combined into the one industry grouping — *services to agriculture (inc hunting and trapping)*. The hunting and trapping industry is only a minimal portion of primary production (accounting for less than one per cent of production) and receives negligible budgetary assistance.

Nevertheless, the size of the industry groupings still varies considerably. The smallest of the 10 groupings are *aquaculture* and *forestry and logging*, accounting for around 2 per cent and 3 per cent of total primary production respectively. The largest, *grain, sheep and beef cattle farming*, accounts for around 40 per cent (ABS 2001).

The 10 primary production industry groupings are set out in Table 1.1.

¹ The Australian and New Zealand Standard Industrial Classification (ANZSIC) system replaced the Australian Standard Industrial Classification (ASIC) system in 1993. The ANZSIC system was developed to improve the comparability of industry statistics for Australia and New Zealand. International comparability was also enhanced by aligning the ANZSIC with the International Standard Industrial Classification (ISIC).

Table 1.1 Primary production industries grouping used for budgetary assistance allocation

<i>ANZSIC</i>	<i>Industry grouping</i>	<i>Activities</i>
011	Horticulture and fruit growing	Plant nurseries Cut flower and flower seed growing Vegetable growing Grape growing Apple and pear growing Stone fruit growing Other fruit growing
012	Grain, sheep and beef cattle farming	Grain growing Grain-sheep and grain-beef cattle farming Sheep-beef cattle farming Sheep farming Beef cattle farming
013	Dairy cattle farming	Dairy cattle farming
014	Poultry farming	Poultry farming (meat) Poultry farming (eggs)
015	Other livestock farming	Pig farming Horse farming Deer farming Honey bee farming Other livestock farming n.e.c. ^a
016	Other crop growing	Sugar cane growing Cotton growing Rice growing Other crop growing n.e.c. ^a
02	Services to agriculture (inc hunting and trapping)	Cotton ginning Shearing services Areal agricultural services Hunting and trapping Other services to agriculture
030	Forestry and logging	Forestry Logging Services to forestry
041	Marine fishing	Rock lobster fishing Prawn fishing Finfish fishing Squid jigging Line fishing Other marine fishing
042	Aquaculture	Fish breeding and farming Freshwater fishing Oyster farming Other Aquaculture

^a not elsewhere classified *Source: ABS (1993)*

2 Allocation methodology

2.1 The initial benefiting industry concept

The Commission applies an initial benefiting industry (IBI) methodology to guide the process of allocation. The IBI method is used to allocate budgetary assistance to the industry grouping hosting the firm that initially benefits from the assistance. In cases where budgetary assistance benefits firms indirectly via an intermediate organisation, such as CSIRO or Austrade, the beneficiaries are identified as the firms that utilise these services, not the organisations that deliver the budgetary assistance.

The IBI approach does not attempt to identify all of the beneficiaries of the various forms of budgetary assistance. It may be that industry groupings not identified as initial beneficiaries benefit subsequently from assistance targeted to another grouping. For example, budgetary assistance to the wool industry is allocated to *grain, sheep and beef cattle farming*. However, the benefits of this assistance could extend beyond this particular industry grouping, say to *services to agriculture* in the case where wool producers use sheering services. Further, an increase in demand for sheering services may increase demand in the manufacturing sector for machinery and equipment (for example, hand pieces) associated with the sheering industry.

To identify all of the beneficiaries of budgetary assistance would require working through the production chain to find how industry groupings are likely to be affected by the initial assistance. The Commission uses general equilibrium models to do this in certain instances, such as when conducting inquiries into specific industries.

However, for the purposes of annual reporting, identifying the incidence of assistance by the initial benefiting industry or industries gives a reasonable indication of the effects of budgetary assistance measures on the allocation of economic resources amongst different industries and uses.

2.2 Allocating assistance to primary production industry groupings

For 2001-02, the Commission identified around 50 Commonwealth programs and tax expenditures as budgetary assistance to primary production industries. Chapter 3 of this annex outlines most of these programs, including all programs that specifically target the primary production industries. The remaining programs, which assist primary production but do not specifically target it — for example, the development allowance or the R&D tax concession — are described either in chapter 5 or in the Methodological Annex to *Trade & Assistance Review 1999-2000* (PC 2000b). For those described in the earlier annex, the method of allocation to the 10 primary industry groupings is identical to the method of allocation to other (services and manufacturing) industry groupings (which is also described in the earlier annex).

Information to allocate funding for all measures was sought from budget papers, legislation, ministerial statements and various departmental annual reports and websites. Further, consultations with the organisations responsible for some programs resolved a number of issues. The Commission also consulted with the ATO on certain tax expenditure measures.

In some cases, notably in relation to rural R&D corporations, programs are funded by a mix of industry levies and Government contributions. Where this occurs, the Commission considers only the Government's contribution to assistance, as the levy is considered to be a method of collecting funding from industry participants (to be redistributed to the industry in the form of services such as R&D or marketing). Thus, only the Government's contribution is counted as assistance.

Many measures are targeted at a particular industry, so allocating the assistance is straightforward. For example, the Sugar Industries Package is allocated to the *other crop growing* industry grouping, and funding for Horticulture Australia is allocated to the *horticulture and fruit growing* industry grouping.

Allocating funding for non-targeted measures, where there is more than one IBI, is not as straightforward as in the targeted case. The Commission has used a variety of methods to do this:

- Where the Commission could obtain sufficiently detailed data for a program, it has used this data to distribute the program's funding among the benefiting industries. For example, the Commission obtained ANZSIC-based information for the income tax averaging program from the ATO's taxation statistics which

was sufficiently detailed to determine the degree to which each industry grouping benefited from the program.

- For programs that provide grants to industry and where the Commission has details on the individual grants, it has used this information to assign each grant to a particular industry. For example, (the Department of) Agriculture, Fisheries and Forestry Australia publishes project details for grant recipients under the Farm Innovation Program. These details are used by the Commission to determine which industry grouping benefits from the program.
- Finally, in some cases, particularly where a new measure has been introduced, the Commission has had insufficient information to make an allocation. Funding for these measures has been assigned to a ‘unallocated’ category.

In summary, the Commission has allocated the majority of programs assisting the primary production sector to the ANZSIC 3 digit level. It has used a number of methods and data sources to achieve this (see chapter 3). However, where this not been possible, the Commission has assigned the programs to *unallocated primary production*.

3 Program-by-program allocations

This chapter provides program-by-program descriptions of the methodology used to allocate assistance to the primary production industry groupings. As discussed in chapter 2, some more general programs, such as the R&D tax concession and the Development allowance, which provide some assistance to primary industries but are predominantly aimed at non-primary industries, are not discussed in this document.²

3.1 CSIRO research

The CSIRO's primary function is to undertake scientific research to assist Australian industry. The methodology for allocating CSIRO assistance to industry was outlined in the Methodological Annex to the *Trade & Assistance Review 1999-2000* (PC 2000b). However, some changes have been made in order to accurately allocate assistance to primary production industries.

Firstly, assistance from CSIRO 'sectors', which had previously been concorded to the former 'agriculture, forestry and fishing' industry grouping, has been concorded to the more disaggregated primary production industry groupings. The revised concordance is outlined in table 3.1 with changes from the previous concordance being indicated in bold text.

Where CSIRO sectors have been concorded to more than one industry grouping, the Commission has in some cases used information from the CSIRO's strategic plan (CSIRO 2000b), which outlines the planned outcomes and the component parts to CSIRO research for each of its sectors. The plan also details the planned appropriation for each component over the planning period (three years). The Commission has examined each component from the relevant sectors and assessed which industry grouping it is most likely to assist. For example, in the case of the CSIRO's research on the Forestry, Wood and Paper sector, components include 'sustainable native forests', 'sustainable plantation forests' and 'paper making and

² The methodology used to allocate these programs was described in the Methodological Annex to the *Trade & Assistance Review 1999-2000*. In each case the same methodology has been used to allocate assistance to primary production industry groupings as was used in allocating assistance to manufacturing and services industry groupings.

paper quality'. The first two have been assessed as assisting *forestry and logging* and the latter as assisting *wood and paper products*. The level of appropriations for each component has then been used to apportion assistance between the industry groupings.

Table 3.1 **Concordance between CSIRO sectors and industry groupings**

<i>CSIRO sector</i>	<i>Industry grouping</i>	<i>CSIRO sector</i>	<i>Industry grouping</i>
Biodiversity	Not allocated	Marine	Marine Fishing
Built environment	Construction	Measurement standards	Not allocated
Chemicals & plastics	Petroleum, coal, chemical & associated products	Meat, dairy & aquaculture	Grain, sheep and beef cattle farming / Other livestock farming / Dairy cattle farming / Aquaculture
Climate & atmosphere	Not allocated	Mineral exploration & mining	Mining
Energy	Mining	Mineral processing & metal production	Metal product manufacturing
Field Crops	Grain, sheep and beef cattle farming / Other crop growing	Petroleum	Mining
Food processing	Food, beverages & tobacco	Pharmaceuticals & human health	Petroleum, coal, chemical & associated products
Forestry, wood & paper industries	Forestry and logging / Wood & paper products	Radio astronomy	Not allocated
Horticulture	Horticulture and fruit growing	Services	Unallocated services
Integrated manufactured products ^a	Unallocated manufacturing	Textiles, Clothing and Footwear	Textiles, clothing, footwear & leather
Information and communication technologies	Communication services	Corporate support	Allocated across all sectors
Land & water	Not allocated		

^a A large part of this sector's funding, by project, concords with the *other machinery & equipment* industry grouping. However some projects are targeted towards the *motor vehicles & parts* and *other transport equipment* industry groupings. Further, funding information on particular projects is not available. The Commission has therefore allocated this sector's funding to the *unallocated manufacturing* industry grouping.

Sources: CSIRO (2000b); Commission allocation.

However, for many CSIRO sectors it is not possible to use this method as the sector's components were of insufficient detail to be allocated to individual industry groupings. For example, in the CSIRO Field Crops sector, components include 'gene technologies', 'quality crop products' and 'pests, weeds and diseases'. There is insufficient detail in the description of each component for it to be allocated to an

industry grouping. In such cases, following discussions with CSIRO officers, the Commission has pro-rated assistance to the benefiting industry groupings according to industry size (value of production).

Table 3.1b Allocation of CSIRO funding to primary production industries
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	10.6	9.7	9.8	10
Grain, sheep and beef cattle farming	65.0	41.2	41.3	42.4
Dairy cattle farming	11.5	9.7	9.7	9.9
Other livestock farming	4.7	4.0	4.0	4.1
Other crop growing	9.5	9.2	9.2	9.5
Forestry and logging	13.1	12	12	12.4
Marine fishing	24.0	25.8	25.8	26.8
Aquaculture	2.2	1.9	1.9	1.9
Total^a	380.5	379.3	378.5	389.1

Figures may not sum due to rounding. ^a including assistance to non-primary primary production industries
Source: unpublished CSIRO expenditure data; Commission allocation.

3.2 Primary producers income tax averaging

This measure allows primary producers to average their income over a five year cycle in order to minimise their tax liability. Primary producers pay tax on their income at the rate of tax applicable to their average income, regardless of whether the average rate is greater or less than ordinary rates.

The Commission obtains an estimate of the total revenue forgone due to income tax averaging from Treasury's Tax Expenditure Statement (Treasury 2001). More detailed ATO claims data is then used to allocate this estimate across primary production industries (ATO 2002).

Table 3.2 Allocation of primary producers income tax averaging
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02^a</i>	<i>2002-03^a</i>
Horticulture and fruit growing	5.9	6.3	6.7	8.0
Grain sheep and beef cattle farming	43.9	47.1	50.2	59.6
Dairy cattle farming	5.1	5.4	5.8	6.9
Poultry farming	0.5	0.5	0.6	0.7
Other livestock farming	1.9	2.0	2.2	2.6
Other crop growing	1.9	2.0	2.1	2.5
Services to agriculture	2.8	3.0	3.2	3.8
Forestry and logging	0.8	0.8	0.9	1.1
Marine fishing	6.6	7.1	7.6	9.0
Aquaculture	0.7	0.8	0.8	1.0
Total	70.0	75.0	80.0	95.0

Figures may not sum due to rounding. ^a Projection based on Treasury (2002).

Source: ATO (2002); Treasury (2002); Commission allocation.

3.3 National Landcare Program

The National Landcare Program (NLP) supports landcare at the community, catchment and regional level by assisting activities such as developing and implementing natural resource management plans.

In its budgetary assistance estimates, the Commission reports funding only for projects undertaken jointly by the Commonwealth and State governments. The benefits of these projects flow largely to primary producers as they are assisted in better managing their resources. The Commission excludes some NLP funding, targeted at the community level and with exclusively environmental aims, on the basis that this funding does not selectively benefit primary producers.

Funding for the National Landcare Program selectively benefits the primary production industries. However, the Commission is unable to determine to what extent individual industries benefit from the program. Thus, the Commission has allocated the National Landcare Program to *unallocated primary production*.

Table 3.3 Allocation of the National Landcare Program
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Unallocated primary production	37.0	37.0	38.2	37.1

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.4 Grains Research & Development Corporation

The Grains Research and Development Corporation (GRDC) is a Commonwealth statutory authority. The GRDC's objective is to combine the funding resources of individual grain producers in order to encourage investment in grain industry research. A levy is applied to most grains (around 1 per cent of farm gate value), and the Commonwealth matches the research funds raised (GRDC 2000).

The Commonwealth contribution is targeted assistance for the grains industry, and thus is allocated to the *grain, sheep and beef cattle farming* industry grouping.

Table 3.4 **Allocation of Grains Research and Development Corporation**
\$ million

<i>Industry grouping</i>	1999-00	2000-01	2001-02	2002-03 ^a
Grain, sheep and beef cattle farming	31.9	34.5	37.3	44.8

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.5 Farm Help

The Farm Help program (formerly known as Farm Family Restart Scheme) provides support for farmers facing financial hardship. The scheme provides:

- income support at the same rate as Newstart Allowance;
- up to \$3300 (including GST) to obtain professional advice, which can include business management, legal, agricultural expert, personal or career counselling and a skills audit;
- a re-establishment grant of up to \$45 000 is available if the farm is sold, subject to an assets test and other conditions; and
- a \$3500 retraining grant is available to re-establishment grant recipients and/or their partner, to help prepare for a career off the farm (AFFA 2002b).

The Farm Help program is open to all farmers in financial difficulty who can not borrow further against their assets.

The Commission has obtained data from AFFA detailing the number of recipients under the scheme by type of farming activity (for example, fruit, beef cattle, sugar). The Commission has concorded the farming activities used by AFFA to the Commission's industry grouping classification, and used this data to allocate the estimates of program funding from the Commonwealth Budget Papers.

Table 3.5 Allocation of the Farm Help Program

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	3.6	4.6	5.0	3.5
Grain, sheep and beef cattle farming	9.9	12.5	8.1	9.7
Dairy cattle farming	2.9	3.7	2.4	2.8
Poultry farming	0.6	0.7	0.5	0.6
Other livestock farming	0.5	0.7	0.4	0.5
Other crop growing	12.2	15.5	10.0	11.9
Aquaculture	0.1	0.1	0.1	0.1
Unallocated primary production	0.7	0.9	0.6	0.7
Total	30.5	38.7	27.1	29.8

Figures may not sum due to rounding. ^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.6 Horticulture Australia

Horticulture Australia comprises two groups — Horticulture Australia Ltd and the Horticulture Australia Council. Horticulture Australia Ltd focuses on marketing and R&D to improve the national and international competitiveness of horticultural producers. The Horticulture Australia Council deals with issues such as food safety and supply chains, and resource issues such as improved systems of water use. These two bodies replaced the Horticultural R&D Corporation and the Australian Horticultural Corporation.

The funding for these bodies selectively benefits horticulturalists and has been allocated to the *horticulture and fruit growing* industry grouping.

Table 3.6 Allocation of Horticulture Australia funding

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	13.7	20.3	26.3	26.3

Source: Commonwealth budget papers; Commission allocation.

3.7 Farm Management Deposits Scheme

This scheme allows primary producers to make deposits when surplus funds are available and to withdraw holdings in less successful years. The fully taxable deposits are subject to a withholding tax when withdrawn, but the withholding tax

can be varied in times of financial hardship (which may be a result of climatic events or market downturn).

This scheme replaced the Income Equalisation Deposits scheme in June 2000. The two schemes ran concurrently in 1999-2000.

The Commission has obtained data from AFFA detailing the level of deposits held under the scheme by ANZSIC industry. The Commission has used this information to allocate Treasury's estimate of revenue forgone for the scheme (Treasury 2002).

Table 3.7 Allocation of Farm Management Deposits Scheme
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02^a</i>	<i>2002-03^a</i>
Horticulture and fruit growing	4.3	3.8	2.2	2.7
Grain, sheep and beef cattle farming	14.4	19.9	18.3	22.0
Dairy cattle farming	1.4	1.7	1.7	2.0
Other livestock farming	1.8	1.9	1.3	1.5
Other crop growing	2.8	2.4	1.3	1.5
Marine fishing	0.2	0.2	0.1	0.2
Total	25.0	30.0	25.0	30.0

Figures may not sum due to rounding. ^a Projection based on Treasury (2002).

Source: Treasury 2002; Commission allocation.

3.8 Rural Adjustment Scheme

The Rural Adjustment Scheme is intended to facilitate farm productivity improvements, adjustment, and training and skills enhancement. It also enables special arrangements for assistance in exceptional circumstances (such as severe drought), where interest subsidies of up to 100 per cent may be made available. The scheme also provides for re-establishment grants to non-viable farmers to assist them in exiting the industry (AFFA 1999).

While the Rural Adjustment Scheme assists several industries in the primary production sector, the Commission has been unable to obtain data detailing to what extent each industry benefits from the program. Therefore the Commission has allocated the Rural Adjustment Scheme to *unallocated primary production*.

Table 3.8 Allocation of the Rural Adjustment Scheme
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Unallocated primary production	29.1	18.0	21.6	18.3

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.9 Deduction for conserving or conveying water and for conservation measures

Capital expenditures on facilities for conserving or conveying water may be claimed as a tax deduction or a rebate over three years if incurred as part of carrying on a business of primary production. The deduction or rebate may be claimed for such things as dams, tanks, bores, wells and irrigation channels.

This item also includes the tax rebate for landcare expenditures which has previously been reported as a separate program. This rebate is available to primary producers and businesses on rural land (except a business engaged in mining or quarrying) for capital expenditures on preventing and treating land degradation. Primary producers have the choice of an immediate tax deduction or a tax rebate (tax offset) of 34 cents in the dollar.

The Commission obtains an estimate of the total revenue forgone from Treasury's Tax Expenditure Statement (Treasury 2002). ATO claims data is then used to allocate this estimate across individual industry groupings (ATO 2002).

Table 3.9 **Allocation of land degradation measures**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02^a</i>	<i>2002-03^a</i>
Horticulture and fruit growing	4.7	4.7	4.7	4.7
Grain sheep and beef cattle farming	7.6	7.6	7.6	7.6
Dairy cattle farming	0.6	0.6	0.6	0.6
Poultry farming	0.1	0.1	0.1	0.1
Other livestock farming	0.3	0.3	0.3	0.3
Other crop growing	7.2	7.2	7.2	7.2
Services to agriculture	0.4	0.4	0.4	0.4
Total	21	21	21	21

Figures may not sum due to rounding. ^a Projection based on Treasury (2002).

Source: ATO (2002), Treasury (2002), Commission allocation.

3.10 Sugar industry package

In 1997, the Commonwealth provided an assistance package to the sugar industry to help offset the reduction in assistance resulting from the removal of the sugar tariff on 1 July 1997 and the implementation of the requirement for the Queensland Sugar Corporation to price at export parity for domestic sales.

This package was extended in 2000 to assist the sugar industry through difficulties caused by a combination of low world sugar prices, production problems and

adverse seasonal occurrences (cyclones and flooding). This assistance was to end in June 2001 but was extended until December of that year.

This program selectively targets the sugar industry which is part of *other crop growing* under the ANZSIC system.

Table 3.10 **Allocation of the sugar industries package**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Other crop growing	4.8	29.6	19.3	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.11 FarmBis – skilling farmers for the future

The FarmBis program was instituted as part of the Commonwealth Government's Agriculture Advancing Australia (AAA) policy package. The program has two components:

- The national component of the scheme provides grants to industry associations and companies to undertake educational programs to enhance the business management skills of Australia's primary industry sector.
- The Commonwealth/State component of the scheme provides subsidies to primary producers (or their family members) to undertake training to improve their business and natural resource management.

The Commission has obtained data from AFFA detailing the size of subsidies and grants provided to individual industries. The Commission has concoded the industries used by AFFA to the ANZSIC industry classification, and used this data to allocate the estimates of program funding from the Commonwealth budget papers.

Table 3.11 Allocation of FarmBis

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Horticulture and fruit growing	-	1.7	2.7	4.6
Grain, sheep and beef cattle farming	-	4.9	12.6	21.1
Dairy cattle farming	-	0.8	1.9	3.1
Poultry farming	-	-	0.1	0.2
Other livestock farming	-	-	0.1	0.2
Other crop growing	-	0.7	0.4	0.7
Marine fishing	-	-	0.1	0.2
Aquaculture	-	-	0.2	0.4
Unallocated primary production	-	0.6	0.8	1.3
Total	-	8.7	19.0	28.7

- Nil. Figures may not sum due to rounding. ^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.12 Forest industry structural adjustment package

The forest industry structural adjustment package is designed to help forest industry businesses and workers adjust to changes in the native forest resources available to industry resulting from the Regional Forest Agreement (RFA) process. The package provides:

- industry development assistance — for particular business who wish to restructure their activities or take advantage of new opportunities. Assistance may be in the form of an interest rate subsidy or a grant;
- worker assistance — for workers displaced from the native forests sector as a result of Regional Forestry Agreements. Assistance may take the form of retraining payments, redundancy payouts or wage subsidies for potential employers;
- business exit assistance — for particular business who wish to leave the industry; and
- rescheduling assistance — available to businesses which suffered adverse financial impacts while RFAs were being developed (Tuckey and Tehan 1999).

The forest industry structural adjustment package is targeted assistance to the forestry industry and has been allocated to *forestry and logging*.

Table 3.12 **Allocation of forest industry structural adjustment package**

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Forestry and logging	4.5	3.4	18.9	47.3

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.13 Meat and Livestock Australia

Meat and Livestock Australia (MLA) is a public corporation which formed in 1998 as a result of the wind-up of three statutory bodies including the Meat Research Corporation (MRC). MLA is jointly funded through Commonwealth appropriations and industry levies.

MLA undertakes R&D and marketing for the benefit of primary producers, food processors and retailers. Previous Commission research (PC 2000b) has established that government contributions wholly support R&D expenditure and that this expenditure is focused mainly on the primary production stage. Thus, the Commission has allocated this funding to the *grain, sheep and beef cattle* industry.

Table 3.13 **Allocation of Meat and Livestock Australia Funding**

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Grain, sheep and beef cattle farming	20.2	18.3	23.5	23.5

Source: MLA annual report; Commission allocation.

3.14 Fisheries Research and Development Corporation

The Fisheries Research and Development Corporation (FRDC) is a statutory authority established in 1991 under the *Primary Industries and Energy Research and Development Act 1989*. The FRDC funds research projects in the areas of resources sustainability, ecosystems protection, and industry development. The FRDC receives Commonwealth funding equivalent to 0.5 per cent of industry gross value of production (GVP). In addition, the Commonwealth Government matches dollar-for-dollar income raised from production levies.

Funding for the FRDC selectively benefits the *marine fishing* and *aquaculture* industries. Data is publicly available on funding for particular projects, however most projects extend over a number of years and the data does not indicate when the

majority of the funding is actually provided. In order to gain an indication of the incidence of assistance, the Commission has examined all ‘current’ projects and calculated the proportion of funding for these projects that benefits the *marine fishing* and *aquaculture* industries. It should be noted that many projects will benefit both industries — in such cases the Commission has allocated all of the funding to the industry deemed to receive the largest benefit. These proportions are then applied to the level of government contributions as reported in the budget papers.

Table 3.14 **Allocation of Fisheries Research and Development Corporation**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Marine fishing	7.0	7.8	8.8	10.9
Aquaculture	5.6	6.7	7.1	8.8
Total	12.6	14.5	15.9	19.7

Figures may not sum due to rounding. ^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.15 EFIC national interest business

The Export Finance and Insurance Corporation (EFIC) is a Commonwealth statutory authority which provides credit and finance services to exporters. EFIC’s credit insurance facilities provide short-term cover for exporters for non-payment by overseas buyers. The export finance facilities include loans and loan guarantees for buyers of Australian exports. These services are provided through:

- a Commercial Account, in which the Government guarantees all EFIC short-term and medium/long-term businesses. However, EFIC has been self-funded and has built up its own reserves, and has not called on this guarantee³; and
- a National Interest Account, in which the Government directs EFIC to undertake transactions which the Government considers to be in the ‘national interest’. In these cases, the Government directly bears the costs if export payments are in default.

Previous Commission research (PC 2000b) indicated that the National Interest Account is used almost exclusively by commodity exporters. In 2000-01, the account was used exclusively for wheat exports to Indonesia and Pakistan (EFIC 2001). Thus the funding is allocated to the *grain, sheep and beef cattle* industry

³ No on-going Commonwealth funding is provided for this part of the EFIC operation. While EFIC probably derives some value from the guarantee, no budgetary assistance has been recorded.

grouping and represents payments made by the Commonwealth Government to Australian exporters when overseas buyers default on payments.

Table 3.15 Allocation of the National Interest Account
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Grain, sheep and beef cattle	16.6	19.5	15.5	17.1

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.16 Rural Industries Research and Development Corporation

The Rural Industries Research and Development Corporation (RIRDC) funds and coordinates research and development activities for the benefit of Australian farmers. In particular it aims to:

- enhance innovation in rural and related sectors;
- foster the development of new industries; and
- address strategic issues facing the rural sector.

The RIRDC allocates funding to several ‘programs’, such as ‘new plant products’, ‘agroforestry and farm forestry’ and ‘chicken meat’ (RIRDC 2001). While these programs are not classified by the ANZSIC industry system, the Commission has developed a concordance to its own (ANZSIC-based) classification system (see table 3.16a). Some programs (such as chicken meat) are likely to assist a single industry and can be easily concorded, however some other programs (such as resilient agricultural systems) are likely to assist several industries and can not be easily concorded. Such programs have been assigned to *unallocated primary production*.

The RIRDC receives funding from several sources including government contributions (classified as assistance), industry levies (not assistance) and external contributions (not assistance). The Commission has allocated government contributions according to the total funding to each program. Such an approach assumes that each program is funded by a similar mix of government and non-government funding.

Table 3.16a Concordance between RIRDC programs and industry groupings

<i>RIRDC program</i>	<i>Industry grouping</i>	<i>RIRDC program</i>	<i>Industry grouping</i>
New plant products	Horticulture and fruit growing	Chicken meat	Poultry
New animal products	Unallocated primary production	Eggs	Poultry
Asian foods	Unallocated primary production	Honeybee	Other livestock farming
Agroforestry and farm forestry	Forestry and logging	Rice	Other crop growing
Deer	Other livestock farming	Horses	Other livestock farming
Essential oils and plant extracts	Horticulture and fruit growing	Fodder crops	Other crop growing
Organic produce	Horticulture and fruit growing	Pasture Seeds	Other crop growing
Rare animal fibres	Other livestock farming	Global Competitiveness	Unallocated primary production
Tea tree oil	Horticulture and fruit growing	Resilient agricultural systems	Unallocated primary production
Wildflowers and native plants	Horticulture and fruit growing	Human capital, communications and IT	Unallocated primary production

Source: RIRDC 2001; Commission allocation.

Table 3.16b Allocation of RIRDC funding

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Horticulture and fruit growing	2.4	2.4	2.4	2.4
Poultry farming	2.2	2.9	2.8	2.8
Other livestock farming	1.2	1.2	1.2	1.2
Other crop growing	2.6	2.7	2.7	2.7
Forestry and logging	2.4	2.2	2.2	2.2
Unallocated primary production	4.3	4.0	3.9	3.9
Total	15.1	15.3	15.1	15.2

Figures may not sum due to rounding. ^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.17 Dairy Research and Development Corporation

The Dairy Research and Development Corporation (DRDC) funds research and development projects in Australia with the stated aim of encouraging an innovative, globally competitive and sustainable dairy industry (DRDC 2002). The DRDC is jointly funded by an industry levy and matching government contributions and

selectively assists the *dairy farming* industry. In previous *Reviews*, this item has been included in ‘other rural research’.

Table 3.17 Allocation of Dairy Research and Development Corporation
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Dairy cattle farming	13.4	12.7	14.7	15.3

^a Projection based on budget statements

Sources: Commonwealth Budget papers; Commission allocation.

3.18 Wool research

Australian Wool Innovation (AWI) is a private company which is wholly owned by Australian Wool Services Ltd (AWS). AWS was established in January 2001 and is owned and controlled by Australian wool growers. It replaced the Australian Wool Research & Promotion Organisation (AWRAP) which was a Commonwealth statutory authority. AWI is jointly funded by industry levies and Government contributions.

The AWI uses funds for research and innovation to benefit the Australian wool industry. In particular levy funds support wool product innovation and are no longer used for generic promotion activities (AWI 2002). AWI:

- provides funds for research development and innovation;
- facilitates the dissemination, adoption and commercialisation of the results of R&D;
- manages, develops and exploits intellectual property resulting from R&D activities; and
- provides wool industry services not otherwise widely commercially available to Australian wool producers (AWI 2002).

AWI activities assists wool producers which are part of the *grain, sheep and beef cattle farming* industry under the ANZSIC system.

Table 3.18 Allocation of funding to Australian Wool Innovation
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Grain, sheep and beef cattle farming	9.2	9.6	13.8	14.0

^a Projection based on budget statements.

Source: Commonwealth budget papers, Commission allocation.

3.19 Land and Water Australia

Land and Water Australia (LWA – formerly Land and Water Resources Research and Development Corporation) carries out research and development activities into land and water issues. According to LWA (2001), it has two key areas of core business:

- ‘... [to] invest in R&D to generate new knowledge that is needed in the pursuit of more sustainable management of Australia’s natural resources; and
- ... [to] engage in knowledge management – adding value to R&D outputs so that they become more meaningful, more useful, more accessible and/or more user friendly.’

While LWA projects assist the primary production sector, the nature of the projects mean that the benefits are likely to be enjoyed by several industries. The Commission has been unable to allocate this assistance to individual industries. Funding for LWA is thus assigned to *unallocated primary production*.

Table 3.19 **Allocation of funding for Land and Water Australia**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Unallocated primary production	11.0	11.3	11.6	11.9

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.20 Cotton Research and Development Corporation

The Cotton Research and Development Corporation (CRDC) is one of the rural research and development organisations established in 1990 under the *Primary Industries and Energy Research and Development Act 1989*. The CRDC funds research and development projects in Australia with the aim of encouraging a competitive and profitable cotton industry (CRDC 2002). The CRDC is jointly funded by an industry levy and matching Government contributions and selectively assists the cotton farming industry (which is part of *other crop growing* under the ANZSIC system). This item has previously been included in ‘other rural research’.

Table 3.20 **Allocation of the Cotton Research and Development Corporation**

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Other crop growing	5.8	6.8	7.6	8.2

^a Projection based on budget statements.

Sources: Commonwealth Budget papers; Commission allocation.

3.21 Farm Innovation Program

The Farm Innovation Program was initiated in 2000-01 as part of the Federal Government's Agriculture Advancing Australia package. The program aims to encourage the farming, fishing and food industries to adopt new technologies.

The program gives grants to particular businesses that wish to develop or commercialise a particular product. The Commission has allocated the programs funding by examining individual grants and allocating those to the relevant industry groupings.

Table 3.21 **Allocation of the Farm Innovation Program**

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	-	1.6	3.1	-
Grain, sheep and beef cattle farming	-	0.4	0.8	-
Dairy farming	-	-	0.1	-
Poultry farming	-	0.2	0.4	-
Other livestock farming	-	0.2	0.5	-
Other crop growing	-	0.5	0.9	-
Marine fishing	-	0.2	0.5	-
Aquaculture	-	0.1	0.2	-
Petroleum, coal, chemical and associated products	-	0.1	0.1	-
Total	-	3.4	6.6	-

- Nil. Figures may not sum due to rounding. ^a Projection based on budget statements.

Sources: Commonwealth budget papers; Commission allocation.

3.22 Grape and Wine Research and Development Corporation

The Grape and Wine Research and Development Corporation (GWRDC) is a statutory authority established in 1991 under the *Primary Industries and Energy*

Research and Development Act 1989. The GWRDCs aim is to enable a sustainable, innovative and profitable future for the Australian wine industry through strategic investment in R&D (AFFA 2002a). The GWRDC is jointly funded by an industry levy and Government contributions and selectively assists the viticulture industry (which is part of *horticulture* under the ANZSIC system). This item has previously been included in 'other rural research'.

Table 3.22 Allocation of Grape and Wine Research and Development Corporation

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Horticulture and fruit growing	5.3	5.7	6.3	7.4

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.23 Australian Animal Health Laboratory

The Australian Animal Health Laboratory (AAHL) is a CSIRO bio-containment facility that handles and stores infectious micro-organisms (exotic diseases). Such organisms are used in trialing vaccines and in training veterinarians to recognise diseases (CSIRO 2000a).

The AAHL performs predominantly basic research which benefits primary producers. Funding for the AAHL has been allotted to *unallocated primary production*.

Table 3.23 Allocation of Australian Animal Health Laboratory

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Unallocated primary production	6.0	6.0	5.9	6.0

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.24 Drought investment allowance

The drought investment allowance is a tax deduction of 10 per cent of capital expenditures of at least \$3000 on new drought mitigation facilities incurred before July 2000. For example, capital expenditures on minimum tillage equipment, fodder storage facilities, water storage facilities used predominantly for livestock, and

water transport facilities may have been eligible for the 10 per cent tax deduction (ATO 1999). The deduction could be claimed to a limit of \$5000 per year, which means that the maximum expenditure for which a deduction could be claimed is \$50 000.

The Commission obtains an estimate of the total revenue forgone due to the Drought Investment Allowance from Treasury's Tax Expenditure Statement (Treasury 2002). The ATO's claims data is then used to allocate this estimate across primary production industries (ATO 2002).

Under the Drought Investment Allowance guidelines, businesses that lease drought mitigation facilities to primary producers are also eligible to claim the deduction. Thus, the ATO's claims data shows that several non-primary production industries make significant claims under the scheme. While these businesses may derive some benefit from the scheme, the Commission considers the primary beneficiary of the assistance to be the primary producers. Thus, the Commission has redistributed the claims from the non-primary industries amongst the primary industries according to the ATO's claims data.

Table 3.24 **Allocation of drought investment allowance**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	0.5	0.2	-	-
Grain Sheep and Beef cattle Farming	8.0	4.0	-	-
Dairy cattle farming	0.2	0.1	-	-
Other livestock farming	0.3	0.1	-	-
Other crop growing	0.8	0.4	-	-
Services to agriculture	0.2	0.1	-	-
Total	10.0	5.0		

- Nil. Figures may not sum due to rounding.

Source: ATO (2002), Treasury (2002); Commission allocation.

3.25 Sugar Research and Development Corporation

The Sugar Research and Development Corporation (SRDC) is one of the rural research and development organisations established in 1990 under the *Primary Industries and Energy Research and Development Act 1989*. The SRDC funds research and development projects in Australia with the aim of fostering an internationally competitive and sustainable sugar industry (SRDC 2002). The SRDC is jointly funded by an industry levy and Government contributions and selectively assists the cotton farming industry (which is part of *other crop growing*

under the ANZSIC system). This item has previously been included in 'other rural research'.

Table 3.25 Allocation of funding for the Sugar Research and Development Corporation
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Other crop growing	3.6	3.8	4.2	4.3

^a Projection based on budget statements.

Source: Commonwealth Budget papers; Commission allocation.

3.26 New industry development program

The new industry development program (NIDP) commenced in 2001. The NIDP works towards improving Australia's performance in the development and commercialisation of new innovative agribusiness products, services and technologies (AFFA 2002c). Most of the funding for NIDP is stated to be used for grants to individual businesses to encourage commercialisation and incubation of new and innovative niche agribusiness ventures.

The Commission has allocated individual grants to industry groupings and has used this information to allocate the total amount of funding as detailed in the budget papers.

Table 3.26 Allocation of the new industry development program
\$ million

<i>Industry</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Horticulture and fruit growing	-	-	1.4	1.4
Grains, sheep and beef cattle	-	-	0.3	0.3
Dairy cattle farming	-	-	0.4	0.3
Poultry farming	-	-	0.2	0.1
Other livestock farming	-	-	0.3	0.3
Other crop growing	-	-	0.2	0.2
Marine fishing	-	-	0.2	0.2
Aquaculture	-	-	0.3	0.2
Mining	-	-	0.1	0.1
Food, beverages and tobacco	-	-	0.5	0.4
Petroleum, coal, chemical and associated products	-	-	0.3	0.3
Other machinery and equipment	-	-	0.2	0.2
Total	-	-	4.1	4.0

- Nil. Figures may not sum due to rounding.

Source: Commonwealth budget papers; Commission allocation.

3.27 Forrest and Wood Products Research and Development Corporation

The Forest and Wood Products Research and Development Corporation (FWPRDC) is a statutory authority established in 1994 under the *Primary Industries and Energy Research and Development Act 1989*. The FWPRDC provides a national research and development focus for the Australian forest and wood products industry and aims to advance a competitive, profitable, sustainable and environmentally responsible industry (AFFA 2002a). The FWPRDC is jointly funded by an industry levy and Government contributions and selectively assists the forestry industry. This item has previously been included in ‘other rural research’.

Table 3.27 **Allocation of Forest and Wood Products Research and Development Corporation**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Forestry and logging	3.2	3.7	4.0	3.2

^a Projection based on budget statements.

Source: Commonwealth Budget papers; Commission allocation.

3.28 Pig research and development

Pig research and development was carried out by the Pig Research and Development Corporation from its inception in 1990 to its close in 2001. The activities of the corporation were then passed to a non-statutory body, Australian Pork Limited. Both bodies are/were funded by industry levies and matching Government contributions. Pig research and development selectively assists the pigmeat industry (which is part of *other livestock farming* under the ANZSIC system). This item has previously been included in ‘other rural research’.

Table 3.28 **Allocation of pig research and development**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Other livestock farming	3.6	3.8	4.0	4.4

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.29 Lamb Industry Development Program

In July 1999, the Commonwealth announced a Lamb Industry Development package to assist lamb producers, processors and exporters following a decision in the US to impose a tariff-rate quota on lamb imports from Australia. The program's funding was to cease after 1999-2000, but was later extended until November 2001.

The program is targeted at lamb producers and has been allocated to the *grain, sheep and beef cattle farming* industry grouping.

Table 3.29 **Allocation of the Lamb Industry Development Program**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Grain, sheep and beef cattle farming	8.6	1.7	4.0	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.30 Sugar industry infrastructure program

The Sugar Industry Infrastructure Program provides funding for infrastructure development (transport, irrigation and drainage) in the Queensland and NSW sugar industries and is designed to ensure the future growth of the Australian sugar industry. The program is jointly funded by the Commonwealth, NSW and Queensland governments and was to be finalised by the end of the 2001-02 financial year.

This program selectively targets the sugar industry which is part of *other crop growing* under the ANZSIC system.

Table 3.30 **Allocation of the sugar industry infrastructure program**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Other crop growing	0.9	1.8	1.8	-

- Nil.

Source: Commonwealth budget papers Commission allocation.

3.31 Beef Expo and Gracemere saleyards

The Beef Expo is a triennial promotional event for the beef industry, which includes conferences, demonstrations, livestock displays and property tours (Beef Australia 2002). Gracemere saleyards are used by beef producers to market and auction cattle for export. In 2002, the Commonwealth Government announced a \$5.7 million contribution to the upgrading of the saleyards and to the Beef Expo 2003 event.

This funding selectively benefits the beef cattle industry and has been allocated to the *grain, sheep and beef cattle farming* industry grouping

Table 3.31 **Allocation of funding to Beef expo and Gracemere saleyards**
\$ million

<i>Industry grouping</i>	1999-00	2000-01	2001-02	2002-03
Grain, sheep and beef cattle farming	-	-	1.8	3.9

- Nil. ^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.32 Tasmanian wheat freight shipping subsidy

The Tasmanian Wheat Freight Shipping subsidy is designed to assist cereal processing, intensive animal feedlot and aquaculture industries in Tasmania. The subsidy is designed to equate the price of wheat in Tasmania with the mainland, and to compensate for the increased cost of transporting to Tasmania.

The scheme selectively benefits the end users of wheat in Tasmania. A Centre for International Economics study (CIE 2001) reports that the major users of wheat imports are flour mills and animal feed lots. In drought years additional grain may be imported for use by graziers. The Commission has used data from the study to allocate the funding for the scheme between *food beverages and tobacco* (flour mill use) and *grain, sheep and beef cattle farming* (feed lot and grazing use).

Table 3.32 **Allocation of funding for the Tasmanian wheat freight subsidy**
\$ million

<i>Industry grouping</i>	1999-00	2000-01	2001-02	2002-03 ^a
Grain, sheep and beef cattle farming	0.8	0.8	0.8	0.8
Food, beverages and tobacco	0.4	0.4	0.4	0.4
Total	1.2	1.2	1.2	1.2

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.33 Agricultural Development Partnerships Program

In 2001, the Federal Government announced the initiation of a \$24m agricultural development *partnerships* program (ADPP), that will run over four years from 2001-02. The program aims to provide support to regional communities facing structural change and will enable those communities to have some financial support through this process (Truss 2001). While the program has been announced no projects had been initiated as at October 2002 and so funding for the program is currently assigned to *unallocated primary production*. The Commission plans to review this allocation prior to next year's *Trade & Assistance Review*.

Table 3.33 **Allocation of the Agricultural Development Partnerships Program**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03^a</i>
Unallocated primary production	-	-	1.0	5.0

- Nil. ^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.34 Exotic Disease Preparedness Program

The Exotic Disease Preparedness Program aims to enhance Australia's preparedness for, and responsiveness to, incursions of exotic pests and diseases of animals. The Australian Animal Health Council (AAHC) administers the program.

The program benefits several primary production industries, and the Commission has not been able to determine to what extent each industry grouping benefits. Thus the program has been assigned to *unallocated primary production*.

Table 3.34 **Allocation of Exotic Disease Preparedness Program**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Unallocated primary production	15.7	3.6	1.2	1.2

^a Projection based on budget statements.

Source: Commonwealth budget papers; Commission allocation.

3.35 Citrus industry market diversification subsidy

This subsidy was aimed at facilitating adjustment in the citrus industry as a result of downturns in international markets and seasonal factors. Commonwealth funding

supported ongoing restructuring, R&D, maintenance of markets and opening up new markets. Funding for the subsidy ended in 2001-02.

The subsidy selectively assisted the citrus industry and has been allocated to *horticulture and fruit growing*.

Table 3.35 Allocation of citrus industry market diversification subsidy
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	0.3	0.2	0.7	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.36 Food and Fibre Supply Chain Program

The food and fibre supply chain program was established by the Government in 1999 to build stronger links between producers, processors, wholesalers, exporters and retailers of agricultural commodities.

While the program primarily assists primary producers, the Commission has been unable to determine the extent to which each industry has benefited from the program. Hence, the program has been allocated to *unallocated primary production*.

Table 3.36 Allocation of the food and fibre supply chain program
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Unallocated primary production	7.0	6.0	-	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.37 National forest policy program

The national forest policy program aimed to make Australia self sufficient in softwood production by 2020. This program concluded in 2001. The funding for the program has been allocated to the *forestry and logging* industry.

Table 3.37 Allocation of national forest policy program

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Forestry and logging	3.9	2.0	-	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.38 Farm Assistance Program

The farm assistance program was introduced in 2000 and provides 'business planning grants' and 'productivity and infrastructure grants' to farmers. The program finished in 2001. As no grant details are available, the Commission has allocated assistance given as part of the farm assistance program to *unallocated primary production*.

Table 3.38 Allocation of the Farm Assistance Program

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Unallocated primary production	-	1.0	-	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.39 National pork industry development program

In 1997, the Government announced the National Pork Industry Development Program (NPIDP) with funding of \$10 million to improve the competitiveness of the pork industry. Funding for the program ended in 2000-01.

This program supported both primary producers of pork and the pigmeat processing industry to seek new export markets. The Commission has been unable to apportion the benefit between primary producers and processors and, hence, funding has been assigned to the *unallocated other* industry grouping.

Table 3.39 Allocation of the national pork industry development program

\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Unallocated other	4.1	0.5	-	-

- Nil.

Source: Commonwealth budget papers; Commission allocation.

3.40 Income equalisation deposits scheme

The Income Equalisation Deposits scheme (IEDS) provided a mechanism whereby primary producers could reduce fluctuations in their income by putting money aside in good years for use in bad years. The deposits were tax deductible in the year of deposit and assessable in the year of withdrawal. Interest was also payable on the investment component of the deposit.

This scheme preceded the Farm Management Deposits scheme. The two schemes ran concurrently in 1999-2000.

The Commission has been unable to obtain accurate information on the industries benefiting from the IEDS. Instead, it has used data on the industries benefiting from its successor scheme (the Farm Management Deposit Scheme) to allocate Treasury's estimate of revenue forgone for the IEDS.

Table 3.40 **Allocation of the Income Equalisation Deposit Scheme**
\$ million

<i>Industry grouping</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>
Horticulture and fruit growing	1.5	-	-	-
Grain, sheep and beef cattle farming	5.2	-	-	-
Dairy cattle farming	0.5	-	-	-
Other livestock farming	0.7	-	-	-
Other crop growing	1.0	-	-	-
Total	9.0	-	-	-

- Nil. Figures may not sum due to rounding.

Source: Treasury 2002, Commission allocation.

4 Summary tables

The following tables present the Commission's estimates of budgetary assistance for each primary industry grouping, for the years 1999-2000 to 2002-03, based on the foregoing allocations of budgetary assistance measures.

Within each industry grouping, the assistance measures have been classified under headings such as industry-specific measures, sector-specific measures, general R&D measures, general export measures and general investment measures. Caution is required in interpreting these classifications, partly because particular programs may be designed to encourage more than one type of activity. In such cases, the Commission has allocated the measure to the activity deemed to be the main target of the assistance. A further qualification is that the extent to which an activity that appears to be targeted by a budgetary measure actually benefits from the assistance is not always clear. This is because there is often a lack of information on the operation of certain schemes and their economic effects.

A discussion of all budgetary assistance, including these results, is provided in chapter 3 of *Trade & Assistance Review 2001-02* (PC 2002).

Table 4.1 **Commonwealth budgetary assistance to 'horticulture and fruit growing', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Industry-specific measures</i>					
Citrus Industry Market Diversification Subsidy	DFA	0.3	0.2	0.7	-
<i>Sector-specific measures</i>					
Farm Help	DFA	3.6	4.6	5.0	3.5
Farm Management Deposits Scheme	TE	4.3	3.8	2.2	2.7
Income Equalisation Deposits Scheme	TE	1.5	-	-	-
Income tax averaging provisions	TE	5.9	6.3	6.7	8.0
Rural Financial Counselling Service	FI	-	-	0.6	0.6
Skilling farmers for the future	FI	-	1.7	2.7	4.6
Tax allowance on drought preparedness assets	TE	0.5	0.2	-	-
Tax deduction for conserving or conveying water	TE	4.7	4.7	4.7	4.7
<i>Rural R&D measures</i>					
Grape and Wine R&D Corporation	FI	5.3	5.7	6.3	7.4
Horticulture R&D	FI	13.7	20.3	26.3	26.3
Rural Industries R&D Corporation	FI	2.4	2.4	2.4	2.4
<i>General export measures</i>					
Export Market Development Grants Scheme	DFA	1.2	1.9	1.7	1.7
<i>General R&D measures</i>					
Cooperative Research Centres	FI	2.2	2.3	2.1	2.0
CSIRO	FI	10.6	9.7	9.8	10.0
Farm Innovation Program	DFA	-	1.6	3.1	-
New Industries Development Program	FI	-	-	1.4	1.4
R&D Start & related programs	DFA	0.1	0.1	0.1	0.1
<i>Other measures</i>					
Small business capital gains tax exemption	TE	0.5	0.3	0.3	0.4
South West Forests Structural Adjustment	DFA	-	-	0.2	0.3
Wide Bay Burnett Structural Adjustment Program	DFA	-	-	0.1	0.2
Total		66.9	65.8	76.4	76.3

^a Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.2 **Commonwealth budgetary assistance to 'grain, sheep and beef cattle farming', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Industry-specific measures</i>					
Beef Expo + Gracemere Saleyards	FI	-	-	1.8	3.9
Lamb Industry Development Program	DFA	8.6	1.7	4.0	-
Tasmanian wheat freight subsidy	DFA	0.8	0.8	0.8	0.8
<i>Sector-specific measures</i>					
Farm Help	DFA	9.9	12.5	8.1	9.7
Farm Management Deposits Scheme	TE	14.4	19.9	18.3	22.0
Income Equalisation Deposits Scheme	TE	5.2	-	-	-
Income tax averaging provisions	TE	43.9	47.1	50.2	59.6
Rural Financial Counselling Service	FI	-	-	3.1	3.1
Skilling farmers for the future	FI	-	4.9	12.6	21.1
Tax allowance on drought preparedness assets	TE	8.0	4.0	-	-
Tax deduction for conserving or conveying water	TE	7.6	7.6	7.6	7.6
<i>Rural R&D measures</i>					
Grains R&D Corporation	FI	31.9	34.5	37.3	44.8
Meat and livestock R&D	FI	20.2	18.3	23.5	23.5
Wool R&D	FI	9.2	9.6	13.8	14.0
<i>General export measures</i>					
EFIC national interest business ^c	DFA	16.6	19.5	15.5	17.1
Export Market Development Grants Scheme	DFA	0.6	0.4	0.2	0.2
<i>General R&D measures</i>					
Cooperative Research Centres	FI	2.5	3.2	3.9	5.2
CSIRO	FI	65.0	41.2	41.3	42.4
Farm Innovation Program	DFA	-	0.4	0.8	-
New Industries Development Program	FI	-	-	0.3	0.3
R&D tax concession	TE	1.9	2.0	1.9	1.4
<i>Other measures</i>					
Small business capital gains tax exemption	TE	1.2	0.9	0.9	1.0
Total		247.6	228.6	240.7	272.4

- Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations. ^c The estimates reported in this section are net National Interest Business outlays. These payments are insurance pay-outs. Because any difference between the National Interest Business scheme's borrowing and lending rates is underwritten by the Commonwealth, the scheme may provide assistance to agricultural exporters. However, net National Interest Business outlays provide only a weak indication of any assistance provided.

Source: Commission estimates.

Table 4.3 Commonwealth budgetary assistance 'dairy cattle farming', 1999-2000 to 2002-03

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Sector-specific measures</i>					
Farm Help	DFA	2.9	3.7	2.4	2.8
Farm Management Deposits Scheme	TE	1.4	1.7	1.7	2.0
Income Equalisation Deposits Scheme	TE	0.5	-	-	-
Income tax averaging provisions	TE	5.1	5.4	5.8	6.9
Rural Financial Counselling Service	FI	-	-	0.4	0.4
Skilling farmers for the future	FI	-	0.8	1.9	3.1
Tax allowance on drought preparedness assets	TE	0.2	0.1	-	-
Tax deduction for conserving or conveying water	TE	0.6	0.6	0.6	0.6
<i>Rural R&D measures</i>					
Dairy Research and Development Corporation	FI	13.4	12.7	14.7	15.3
<i>General R&D measures</i>					
CSIRO	FI	11.5	9.7	9.7	9.9
Farm Innovation Program	DFA	-	-	0.1	-
New Industries Development Program	FI	-	-	0.3	0.3
Total		35.6	34.7	37.5	41.4

* Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.4 Commonwealth budgetary assistance to 'poultry farming', 1999-2000 to 2002-03

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Sector-specific measures</i>					
Farm Help	DFA	0.6	0.7	0.5	0.6
Income tax averaging provisions	TE	0.5	0.5	0.6	0.7
Skilling farmers for the future	FI	-	-	0.1	0.2
Tax deduction for conserving or conveying water	TE	0.1	0.1	0.1	0.1
<i>Rural R&D measures</i>					
Rural Industries R&D Corporation	FI	2.2	2.9	2.8	2.8
<i>General R&D measures</i>					
Farm Innovation Program	DFA	-	0.2	0.4	-
New Industries Development Program	FI	-	-	0.2	0.1
Total		3.4	4.4	4.7	4.5

* Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.5 **Commonwealth budgetary assistance to 'other livestock farming', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Industry-specific measures</i>					
Pork industry development group grant	FI	4.1	0.5	-	-
Pork producer exit program	DFA	5.0	-	-	-
<i>Sector-specific measures</i>					
Farm Help	DFA	0.5	0.7	0.4	0.5
Farm Management Deposits Scheme	TE	1.8	1.9	1.3	1.5
Income Equalisation Deposits Scheme	TE	0.7	-	-	-
Income tax averaging provisions	TE	1.9	2.0	2.2	2.6
Rural Financial Counselling Service	FI	-	-	0.1	0.1
Skilling farmers for the future	FI	-	-	0.1	0.2
Tax allowance on drought preparedness assets	TE	0.3	0.1	-	-
Tax deduction for conserving or conveying water	TE	0.3	0.3	0.3	0.3
<i>Rural R&D measures</i>					
Pig R&D Corporation	FI	3.6	3.8	4.0	4.4
Rural Industries R&D Corporation	FI	1.2	1.2	1.2	1.2
<i>General export measures</i>					
Export Market Development Grants Scheme	DFA	0.7	0.4	0.3	0.3
<i>General R&D measures</i>					
CSIRO	FI	4.7	4.0	4.0	4.1
Farm Innovation Program	DFA	-	0.2	0.5	-
New Industries Development Program	FI	-	-	0.3	0.3
R&D Start & related programs	DFA	-	0.1	0.1	0.1
Total		24.8	15.1	14.8	15.6

* Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.6 **Commonwealth budgetary assistance to 'other crop growing', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Industry-specific measures</i>					
Sugar industries package	FI	4.8	29.6	19.3	-
Sugar industry infrastructure Program	FI	0.9	1.8	1.8	-
<i>Sector-specific measures</i>					
Farm Help	DFA	12.2	15.5	10.0	11.9
Farm Management Deposits Scheme	TE	2.8	2.4	1.3	1.5
Income Equalisation Deposits Scheme	TE	1.0	-	-	-
Income tax averaging provisions	TE	1.9	2.0	2.1	2.5
Rural Financial Counselling Service	FI	-	-	0.3	0.3
Skilling farmers for the future	FI	-	0.7	0.4	0.7
Tax allowance on drought preparedness assets	TE	0.8	0.4	-	-
Tax deduction for conserving or conveying water	TE	7.2	7.2	7.2	7.2
<i>Rural R&D measures</i>					
Cotton Research and Development Corporation	FI	5.8	6.8	7.6	8.2
Rural Industries R&D Corporation	FI	2.6	2.7	2.7	2.7
Sugar Research and Development Corporation	FI	3.6	3.8	4.2	4.3
<i>General export measures</i>					
Export Market Development Grants Scheme	DFA	0.5	0.4	0.5	0.5
<i>General R&D measures</i>					
Cooperative Research Centres	FI	9.7	9.5	10.2	8.7
CSIRO	FI	9.5	9.2	9.2	9.5
Farm Innovation Program	DFA	-	0.5	0.9	-
New Industries Development Program	FI	-	-	0.2	0.2
R&D Start & related programs	DFA	0.1	0.1	0.1	0.1
R&D tax concession	TE	1.9	2.0	1.9	1.4
Total		65.3	94.5	79.9	59.8

* Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.7 **Commonwealth budgetary assistance to 'services to agriculture (inc hunting and trapping)', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Sector-specific measures</i>					
Income tax averaging provisions	TE	2.8	3.0	3.2	3.8
Tax allowance on drought preparedness assets	TE	0.2	0.1	-	-
Tax deduction for conserving or conveying water	TE	0.4	0.4	0.4	0.4
<i>General R&D measures</i>					
Biotechnology innovation fund	DFA	-	-	0.1	0.4
R&D Start & related programs	DFA	3.2	5.1	5.6	5.6
<i>General export measures</i>					
Export Market Development Grants Scheme	DFA	0.7	0.1	0.3	0.3
<i>Other measures</i>					
Small business capital gains tax exemption	TE	0.3	0.2	0.2	0.2
South West Forests Structural Adjustment	DFA	-	-	0.1	0.2
Total		7.6	9.0	9.8	11.6

- Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.8 **Commonwealth budgetary assistance to 'forestry and logging', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Industry-specific measures</i>					
Forest industry structural adjustment	DFA	4.5	3.4	18.9	47.3
National Forest Policy Program	FI	3.9	2.0	-	-
<i>Sector-specific measures</i>					
Income tax averaging provisions	TE	0.8	0.8	0.9	1.1
<i>Rural R&D measures</i>					
Forrest and Wood Products Research and Development	FI	3.2	3.7	4.0	3.2
Rural Industries R&D Corporation	FI	2.4	2.2	2.2	2.2
<i>General R&D measures</i>					
Cooperative Research Centres	FI	2.3	2.3	2.4	2.4
CSIRO	FI	13.1	12.0	12.0	12.4
<i>Other measures</i>					
Eden Structural Adjustment	DFA	-	0.2	0.1	-
Total		30.2	26.7	40.5	68.6

- Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.9 **Commonwealth budgetary assistance to 'marine fishing', 1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Sector-specific measures</i>					
Farm Management Deposits Scheme	TE	0.2	0.2	0.1	0.2
Income tax averaging provisions	TE	6.6	7.1	7.6	9.0
Skilling farmers for the future	FI	-	-	0.1	0.2
<i>Rural R&D measures</i>					
Fishing industry R&D	FI	7.0	7.8	8.8	10.9
<i>General R&D measures</i>					
CSIRO	FI	24.0	25.8	25.8	26.8
Farm Innovation Program	DFA	-	0.2	0.5	-
New Industries Development Program	FI	-	-	0.2	0.2
R&D Start & related programs	DFA	0.8	1.2	1.3	1.3
<i>General export measures</i>					
Export Market Development Grants Scheme	DFA	0.6	0.3	0.2	0.2
<i>Other measures</i>					
Eden Structural Adjustment	DFA	-	0.4	0.2	0.1
Small business capital gains tax exemption	TE	0.6	0.4	0.4	0.5
Total		39.8	43.4	45.3	49.4

^a Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.10 **Commonwealth budgetary assistance to 'aquaculture',
1999-2000 to 2002-03**

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Sector-specific measures</i>					
Farm Help	DFA	0.1	0.1	0.1	0.1
Income tax averaging provisions	TE	0.7	0.8	0.8	1.0
Skilling farmers for the future	FI	-	-	0.2	0.4
<i>Rural R&D measures</i>					
Fishing industry R&D	FI	5.6	6.7	7.1	8.8
<i>General export measures</i>					
Export Market Development Grants Scheme	DFA	0.2	-	0.2	0.2
<i>General investment measures</i>					
Development allowance	TE	2.3	2.0	1.9	1.6
<i>General R&D measures</i>					
Cooperative Research Centres	FI	2.4	0.4	1.5	2.6
CSIRO	FI	2.2	1.9	1.9	1.9
Farm Innovation Program	DFA	-	0.1	0.2	-
New Industries Development Program	FI	-	-	0.3	0.2
R&D Start & related programs	DFA	0.6	0.9	1.0	1.0
Total		14.1	12.9	15.2	17.8

^a Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

Table 4.11 Commonwealth budgetary assistance to 'unallocated primary production', 1999-2000 to 2002-03

\$ million

	Type ^a	99-00	00-01	01-02 ^b	02-03 ^b
<i>Sector-specific measures</i>					
Agricultural development partnership	DFA	-	-	1.0	5.0
Australian animal health laboratory	FI	6.0	6.0	5.9	6.0
Exotic Disease Preparedness program	FI	15.9	3.6	1.2	1.2
Farm assistance Program	FI	-	1.0	-	-
Farm business programs	FI	11.7	17.1	-	-
Farm Help	DFA	0.7	0.9	0.6	0.7
Food and Fibre supply chain program	FI	7.0	6.0	-	-
National landcare program	FI	37.0	37.0	38.2	37.1
Rural adjustment scheme	DFA	29.0	18.0	21.6	18.3
Rural Financial Counselling Service	FI	-	-	0.7	0.7
Skilling farmers for the future	FI	-	0.6	0.8	1.3
Supermarket to Asia strategy	FI	4.0	-	-	-
<i>Rural R&D measures</i>					
Land and water resources R&D	FI	11.0	11.3	11.6	11.9
Rural Industries R&D Corporation	FI	4.3	4.0	3.9	3.9
<i>General R&D measures</i>					
Cooperative Research Centres	FI	4.5	7.6	7.6	8.5
Major national research facilities	FI	0.4	0.4	0.3	1.7
<i>Other measures</i>					
Tasmanian Freight equalisation scheme	DFA	4.0	4.1	4.4	4.3
Total		135.5	117.6	97.8	100.6

^a Nil. Figures may not add to total due to rounding. ^a DFA: direct financial assistance; FI: funding to institutions; TE: tax expenditures. ^b 2001-02 data are Budget estimates and 2002-03 data are Budget appropriations.

Source: Commission estimates.

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