

## QUESTION ON NOTICE

No. 933

Asked on 14 June 2011

**MR HOBBS** asked the Minister for Agriculture, Food and Regional Economies (MR MULHERIN)—

### QUESTION:

With reference to federal funding for Rural Financial Counselling Services which has been approved—

What is the amount and timeframe for the state funding that will be provided as per the current agreement and what is the proportion of state funding approved as a percentage on an annual basis since 2006 (reported separately)?

### ANSWER:

The Australian Government's Rural Financial Counselling Service program provides financial counselling for primary producers and regional businesses in Queensland.

On 4 May 2011 the Australian Government announced it would continue funding the program for a further four years from 1 July 2011 to 30 June 2015.

The Queensland Government, through the Department of Employment, Economic Development and Innovation, is responsible for administering grant payments to the Rural Financial Counselling Service in Queensland.

In consultation with the Australian Government, I have agreed to continue to provide the Rural Financial Counselling Service in Queensland with grant assistance of \$250,000 per year for the next four years from 1 July 2011 to 30 June 2015.

The proportion of State funding approved, as a percentage of the total funding provided by the Australian and Queensland Governments for the Rural Financial Counselling Service on an annual basis, has been:

Financial year	Queensland government grant	Queensland's grant as a % of the total funding for rural financial counselling
2006-07*	\$187,500	14%
2007-08	\$250,000	17%
2008-09	\$250,000	11%
2009-10	\$250,000	10%
2010-11	\$250,000	12%

\* The current delivery arrangements for the rural financial counselling service were implemented on 1 October 2006 and the percentage quoted is based on the last three quarters of the 2006-07 financial year.

Unlike other State Governments, the Queensland Government operates a State funded Farm Financial Counselling Service that is independent but complements the Commonwealth's Rural Financial Counselling Service. This service provides the Queensland Government with considerable flexibility in its responses to natural disaster and drought events.

The Farm Financial Counselling Service costs approximately \$1.6 million per annum to operate although, with the provision of additional temporary financial counsellors as a part of the disaster recovery response, the cost of this service is likely to be much higher in 2010-11. There are currently 14 full time and 3 part time counsellor positions.

The Australian Government does not contribute to the Queensland Government's Farm Financial Counselling Service.

The Rural Financial Counselling Service and Farm Financial Counselling Service are co-ordinated to avoid duplication and to provide complementary services. Both services provide each other with back up support in times of natural disaster events.