

# **Drought Program Review (Queensland)**

**Report by:**

**Independent Panel**

**Ruth Wade and Charles Burke**

**January 2019**





## Independent Panel's Introduction

This report and its recommendations should underpin a national, long-term drought strategy led by the Queensland State Government. The Panel firmly believes that the recommendations contained within this report, when implemented, will allow the Queensland Government to drive the move to a national approach to drought management.

This summary clearly articulates the context by which this report has been prepared and the methodology of the recommendations. It also links Queensland's future drought programs to the National Drought Agreement.

In August 2018, the Queensland Government engaged Charles Burke and Ruth Wade (the Panel) to review existing drought programs by January 2019, and recommend a long-term approach to drought response in Queensland. The review focused on current drought programs, and also relied on a Drought Program Evaluation undertaken by Marsden Jacob Associates that was commissioned by the Queensland Government in September 2018. This allowed the Panel the luxury of considering economic analysis of existing programs, together with the personal input via attendance at regional forums and through written submissions. These two factors then allowed the Panel to assess the efficacy of existing programs, make recommendations about those programs, and identify future options for drought.

The current key drought program provided by the Queensland Government is the Drought Relief Assistance Scheme (DRAS), although there are several other smaller programs linked to the DRAS through the drought declaration process.

Drought is a normal feature of the Queensland environment. Producers must factor the regular occurrence of major droughts into their future business management plans. On occasion, however, conditions may become severe enough to threaten the viability of the farm unit, and place additional pressure on producers that are more marginal.

The DRAS was introduced in the 1960s with the aim of helping maintain the state's flocks and herds. It has existed in essentially the same form ever since. It provides freight subsidies for fodder and water during drought, and freight subsidies for livestock returning from agistment or for restocking properties recovering from drought. The scheme was not designed to provide significant assistance to any agricultural activity other than extensive livestock production systems.

In 1992, the Queensland Government released a new drought policy, which was consistent with the National Drought Policy. This policy recognised drought as a normal feature of the Australian climate, and encouraged producers to become more self-reliant, effectively managing drought as part of their normal risk management strategies. The Queensland Government committed to adopt programs that promoted risk management and drought preparedness, and phase out the DRAS over 10 years.

However, the termination date for the DRAS, 2002, coincided with a major drought, and it was agreed by the Queensland Government that the DRAS would be retained pending annual review. Conditions continued to deteriorate through to 2009, and exacerbated the inability to effect the agreed reforms.

The period since 2009 has seen fluctuation between flood and drought in many areas, which has made reform of Queensland's existing drought programs difficult (in 2015, 88% of Queensland was drought declared). The most recent conditions across Queensland have resulted in 58.1% of the state being drought declared as at 1 January 2019.

The Panel used a number of guiding principles that are consistent with the new National Drought Agreement 2018 in developing this report:

1. Based on previous attempts for drought program reform, this review articulates the necessity to implement proposed recommendations to take effect as soon as possible.
2. The Queensland Government develop, design, implement and fund drought preparedness, response and recovery programs that are consistent with the National Drought Agreement that encourages risk management and seek to avoid market distortions.
3. The Queensland Government develop capability-building programs, tools and technologies to inform and improve farming businesses' decision-making.
4. The Queensland Government collate information on assistance for drought preparedness, response and recovery and ensure it is readily accessible.
5. The Queensland Government continue to support and enhance the development of quality, accessible, and publicly available data, including but not limited to:
  - i. weather, seasonal and climate forecasts
  - ii. regional and local predictive real-time drought indicator information
  - iii. a consistent early warning system for drought.
6. The Queensland Government recognise the future requirements to manage drought, and provide appropriate investment and resources to develop the tools and mechanisms to facilitate 'getting people ready for drought, rather than waiting until its onset'.
7. The Queensland Government recognise that severe drought will occur on rare occasions that cannot be anticipated by normal risk management planning, and provide 'in event' support targeted at those who have exhausted all other avenues of preparedness and planning and are at risk of negative financial, health or social impacts.

This review has identified a number of limitations inherent with the current programs, for example:

- A number of existing programs are not consistent with the National Drought Agreement, in that they do not encourage producers to adopt strategies to better prepare for drought. There is a relatively low proportion of producers who access these programs, which may be because producers may not regard them as an effective management strategy for their business.
- Producers in industries other than extensive livestock production are not able to obtain comparable assistance. In recognition of this limitation, programs linked to DRAS drought declarations have been developed, such as concessions for electricity charges for irrigators, and school transport concessions.
- There is no ability to limit assistance to those most in need, such as through means or assets testing.
- The design of some of these programs has encouraged producers to adopt behaviour to increase access to the scheme, when perhaps other management options may be better in addressing drought risk.
- The objectives of many of the programs take no account of other priorities of the government, particularly in the area of animal welfare, natural resource management and sustainability.

The Panel has utilised experience gained over many years in various engagement roles and policy development processes to effect this review. It has made recommendations that, when implemented, will allow agricultural industries in Queensland to flourish and prosper in spite of challenging climatic conditions that regularly result in prolonged periods of drought. Avoiding drought-induced agricultural businesses' financial crises — with all the flow-on effects to communities, mental health and the wider economy — must be the aim of responsible government policy.




While conducting this review, the Panel has **not** prepared this report in a context of cost savings or significant investment increases; however, it has viewed its response through the prism of making recommendations to government that will be realistic, deliverable and defensible. At all times, the Panel has taken the approach of what will be best for primary industries in Queensland as a whole, and the communities that rely on them.

The recommendations provided in this report, along with the analysis by Marsden Jacobs Associates<sup>1</sup>, are practical and appropriate for a modern, future-focused agribusiness sector. The Queensland Government will now have the capacity to adjust and amend existing programs to improve efficacy, and introduce other assistance measures for future drought events.



**Ruth Wade**



**Charles Burke**

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<sup>1</sup> Dwyer, G, Clarke, M and Stankiewicz, R. (2018) Drought Program evaluations: Marsden Jacob Associates.

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# **1 Recommendations**

## **Recommendation 1**

The existing Local Drought Committee (LDC) Framework and the drought declaration process, including Individually Droughted Properties (IDPs), be maintained in the immediate future. The areas of responsibility and processes and procedures of the LDCs should be immediately clarified and made publicly available to avoid confusion and misinformation.

## **Recommendation 2**

By 30 June 2021, the current LDC system and declaration process be reviewed and restructured into a new system for declarations that will be based on the transition to a more objective, science-based, multi-layered framework, utilising publicly accessible indicators, and maintaining appropriate local input.

## **Recommendation 3**

The current Drought Relief Assistance Scheme (DRAS) fodder and water freight subsidies cease on the revocation of current drought declarations, including area declarations and IDPs.

## **Recommendation 4**

The DRAS livestock freight subsidy cease on the revocation of current declarations, including area declarations and IDPs. Restocking and returning from agistment subsidies would be available for two years, as per existing guidelines, after current declarations are revoked.

## **Recommendation 5**

The EWIR Scheme continue over the course of the current drought, be maintained as part of any future drought response, and be administered by the Queensland Rural and Industry Development Authority (QRIDA). The guidelines of the scheme should be broadened to include all extensive livestock production systems, not just breeding stock. These guidelines should make stock housed on the property for more than 12 months eligible.

## **Recommendation 6**

The existing Department of Natural Resources, Mines and Energy (DNRME) land rent subsidies be continued (subject to future drought declaration parameters).

## **Recommendation 7**

The existing DNRME water licence waivers be continued (subject to future drought declaration parameters).

## **Recommendation 8**

The Drought Relief from Electricity Charges Scheme (DRECS) be continued with administrative improvements and clear definition of eligibility (subject to future drought declaration parameters) until government provides a suitable suite of tariffs for agriculture.

## **Recommendation 9**

Future drought electricity tariffs should reward energy efficiency and coordinated investment in solar and other renewables on a local/district scale.



## **Recommendation 10**

The Queensland Department of Education Living Away from Home Allowances Scheme (LAFHAS) Drought Supplement be reintroduced immediately and become part of a continuing Queensland Government drought assistance program (subject to future drought declaration parameters).

## **Recommendation 11**

The Department of Communities, Disability Services and Seniors Community Drought Support program be continued, with administrative improvements that provide for a defined formulae for determining the quantum of grants allocated to each local government area. The Queensland Government develop clear guidelines which will allow individual communities to determine the priorities and delivery model that best suit their needs (subject to future drought declaration parameters).

## **Recommendation 12**

The Department of Transport and Main Roads transport-related drought assistance measures continue, and further development of potential waivers and exemptions be explored by the Queensland Government (subject to future drought declaration parameters).

## **Recommendation 13**

The Queensland Health Tackling Regional Adversity through Integrated Care (TRAIC) program be continued.

## **Recommendation 14**

The Royal Flying Doctor Service Drought Wellbeing Service continue to be supported, and a longer term security of funding be guaranteed.

## **Recommendation 15**

The Queensland Government continue to provide a drought supplement to the Australian Government funded Rural Financial Counselling Service (this may require additional funding to maintain the current level of support), and maintain funding for the Small Business Financial Counselling Service.

## **Recommendation 16**

The Queensland Government bolster its funding and resourcing to current Drought and Climate Adaptation Program (DCAP) projects. This should include funding for the finalisation of existing projects, and appropriate resourcing for extension, delivery and promotion of these valuable long-term preparedness tools.

## **Recommendation 17**

The Queensland Government, through QRIDA, provide loans of up to \$250 000 for drought preparedness activities, and replanting and restocking costs. Eligibility for these loans would be linked to an individual business risk management plan. Drought preparedness measures may include, but not be limited to:

- a. storage and infrastructure for fodder, including molasses, to allow forward contracting
- b. water infrastructure and reticulation, including additional water license acquisition
- c. alternative power infrastructure and new generation technology.

Repayment terms to include a repayment free period of up to two years, and an interest rate regime based on the five- or 10-year Queensland Treasury Corporation fixed interest rates to provide

producers with certainty. The resources be made available to QRIDA to actively promote this scheme for drought preparedness as part of an agricultural business's risk management.

### **Recommendation 18**

The Queensland Government actively promote and, importantly, provide financial support to primary producers and individual agribusinesses to develop individual business risk management plans utilising multiple service providers and accepted models.

### **Recommendation 19**

Upon the provision of an individual business risk management plan, the application fee for a development application (DA) for mulga management be waived. The term of a DA be a minimum period of 10 years to reflect the appropriate, scientifically proven, and best management practice of mulga.

### **Recommendation 20**

The DNRME simplify the messaging and extension around the *Accepted Development Vegetation Clearing Code: Managing Fodder Harvesting* to clarify and clearly articulate the management of vegetation that predominantly consists of fodder species (eg. mulga) and is necessary to provide fodder for stock.

## **2 Introduction**

### **2.1 The review**

The Palaszczuk Government committed to a review of future drought assistance in Queensland in response to the former Agriculture and Environment Committee review of the Drought Relief Assistance Scheme in 2017.

The independent review commenced on 26 August 2018. The Terms of Reference for the review require the report to be provided to the Minister for Agricultural Industry Development and Fisheries by 31 January 2019.

### **2.2 The scope of the review**

The scope of the review is set by the Terms of Reference at Appendix 1.

### **2.3 Process of the review**

Extensive consultation with numerous stakeholders was undertaken to obtain an understanding of the current issues and concerns across a number of sectors.

The review commenced on 26 August 2018, with an industry briefing following on 4 September 2018.

Advertisements inviting submissions appeared in the *Bundaberg News*, *Burdekin Advocate*, *Dalby Herald*, *Longreach Leader*, *North West Star*, *Queensland Country Life*, *Rockhampton Bulletin* and *Western Times*.

Regional forums were held in seven regional locations from 26 September until 12 October — Dalby, Charleville, Ayr, Cloncurry, Bundaberg, Longreach and Rockhampton. At these forums, landholders, local businesses and local government all attended, and raised and discussed various issues associated with drought. A total of 178 participants attended these forums across Queensland.

An online survey was also made available through the Drought Program Review website, hosted on the Department of Agriculture and Fisheries website. A copy of this questionnaire and summary is found at Appendix 2.

The public submissions closed on 19 October 2018. However, submissions were accepted throughout the review period. A total of 65 submissions were received, through both the online survey and detailed emailed submissions — 11 from representative organisations, and the remainder from individuals or businesses in drought communities. Online submissions are at Appendix 3.

Independent panel members were invited to the National Drought Summit on 26 October 2018, and have been engaged in discussions with the National Drought Taskforce about the Commonwealth Government's long-term strategy since 30 November 2018.

Targeted consultation (through face-to-face and some telephone interviews) was conducted by the Panel with landholders, community groups, peak bodies, Queensland Government departments and agencies among others in December 2018 and January 2019.

### 3 Drought in Australia

As defined by the Bureau of Meteorology (BoM), drought is a prolonged, abnormally dry period when the amount of available water is insufficient to meet our normal use. Drought is not simply low rainfall; if it was, much of inland Australia would be in almost perpetual drought. Because people use water in so many different ways, there is no universal definition of drought. Meteorologists monitor the extent and severity of drought in terms of rainfall deficiencies. Agriculturalists rate the impact on primary industries, hydrologists compare groundwater levels, and sociologists define it by social expectations and perceptions.

It is generally difficult to compare one drought to another, since each drought differs in the seasonality, location, spatial extent and duration of the associated rainfall deficiencies. Additionally, each drought is accompanied by varying temperatures and soil moisture deficits.

Finding a balanced solution remains a challenging task, as there are a range of emotive, environmental and economic issues to be considered when delivering programs that deliver benefits for all Queenslanders across regional economies impacted by drought.

The climate change outlook prepared by BoM and CSIRO (2008) reports that:

- the extent and frequency of exceptionally hot years have been increasing and are projected to continue, with exceptionally hot years likely to occur every one–two years, on average, over the period 2010–2040, while trends in rainfall are highly dependent on the period of analysis due to large inter-decadal variability
- exceptionally low soil moisture is projected to become more frequent in line with the projected increase in exceptionally low rainfall years.

Drought is just one of the many climatic risks that agricultural industries must manage. Drought differs from other climatic risks in that it can affect a large amount of farm businesses at once, and drought has a slow onset, with effects that can last years, and a highly uncertain end date. These two factors are why building resilience is not as simple as many think.

While the impact of other climatic events is immediate, the prolonged nature of drought has a number of ongoing effects including:

- disruption to cropping programs and reduction of breeding stock, which threaten the profit and long-term viability of farm businesses
- a downturn of regional, state and national economies
- serious environmental damage, including vegetation loss, soil erosion, and water contamination
- an increase in the frequency of bushfires and dust storms
- decline of the physical and mental wellbeing of farming families, which can impede an individual's decision-making and their ability to engage with family and their community
- a decrease in vitality and the viability of rural businesses and communities.



## 4 Drought responses in Australia

On 14 December 2018, the Council of Australian Governments (COAG) agreed and signed a new National Drought Agreement (at Appendix 4), which sets out a joint approach to drought preparedness, response and recovery, with a focus on accountability and transparency. It recognises the need to support farming businesses and farming communities to manage and prepare for climate change and variability. The new agreement delivers on a commitment made by leaders at the National Drought Summit, and focuses measures across all jurisdictions on bolstering risk management practices and enhancing our long-term preparedness and resilience.

Jurisdictions such as New South Wales (NSW) have underpinning principles and frameworks that consider drought as an inevitable feature in our landscape which should be considered in the same light as other risks to farm businesses. The NSW Drought Strategy encourages primary producers to plan ahead in normal conditions to prepare and build flexibility to deal with adverse conditions. However, this strategy, which was introduced in 2015, was undermined by the \$1 billion announcement in mid-2018 in response to continuing drought conditions.

Victoria has a Drought Preparedness and Response Framework to guide it in making informed and measured decisions about how best to support Victorian farmers, businesses and communities manage and recover from the impacts of drought. Victoria's framework is focused on the flexibility in responding to drought depending on the degree and impact of drought in different regions and industries. It has a focus on people through support that targets the welfare needs of individuals, families and communities, and early and ongoing programs and incentives to help farm businesses build capacity, adapt and be self-reliant, rather than providing direct business subsidies. Finally, it has a formal, strategic process for developing and implementing drought assistance informed at a regional level.

South Australia, Tasmania, Northern Territory and Western Australia have invested in tools and information to help farm businesses prepare, as well as a number of community and mental health support programs to improve community resilience. A jurisdictional comparison is provided at Appendix 7.

### Panel comment

**The Panel reviewed drought measures offered by Commonwealth and other state jurisdictions. The Panel is of the view that this report and its recommendations should underpin a national long-term drought strategy, driven by the Queensland Government.**

## 5 Queensland drought program

Queensland drought policy is based on the concept of self-reliance. Primary producers should therefore adopt risk management strategies to minimise the impact of drought on their enterprise. However, it is recognised that prolonged and severe events may be beyond the ability of many producers to cope with financially and physically. If a property has been individually drought declared or is within a drought declared area, the property owner can apply for Queensland Government drought assistance, including the Drought Relief Assistance Scheme (DRAS). The DRAS provides subsidies on the transport of fodder and water for livestock during drought, and on returning from agistment and restocking in the recovery period, as well as the Emergency Water Infrastructure Rebate to assist primary producers provide urgently needed water for animal welfare needs.

Since the drought began in 2013, Queensland Government has provided more than \$160 million in assistance measures in its Drought Assistance Package. Including broader assistance measures, more than \$670 million has been spent by successive Queensland Governments on drought relief over more than five years.

The principal measures of the Drought Assistance Package, funded at \$34.6 million in the 2018–19 Budget, include the DRAS, land rent rebates and water licence waivers, and the Drought Relief from Electricity Charges Scheme. Details about all programs are provided below, including which Queensland Government agency administers the program.

In 2015–16, there were 16 200 farm businesses in Queensland. A further 8000 businesses (mainly part-time and hobby operations) generate between \$5000 and \$40 000 in agricultural output each year. These are the businesses impacted directly by drought conditions; however, it has been long acknowledged this has flow-on effects to small businesses and regional economies in those drought-affected areas.

Although much of Queensland has been in severe drought, market conditions have been strong for some. As of 31 October, Queensland primary producers have over \$1.2 billion in farm management deposits. The total value of Queensland's primary industry commodities was forecast at \$18.5 billion for 2018–19, an annual decrease of 4% due to drought. Despite the forecast yearly decrease, the value was still in line with five year averages.

### 5.1 Drought declarations in Queensland

The Minister for Agricultural Industry Development and Fisheries makes drought declarations and revocations for local government on the recommendation of Local Drought Committees (LDCs).

LDCs are made up of local primary producers, representatives of industry organisations of the various industries in that particular area, and local Department of Agriculture and Fisheries officers.

LDCs meet at least once a year at the end of the summer rainfall season, or as required, to discuss the impact of seasonal conditions and make recommendations about the drought status of their area.

Drought declarations are an official acknowledgement by the Queensland Government that an area or property is impacted by drought.

The threshold for drought declared status is principally a 12-month rainfall deficiency likely to occur no more than once every 10 to 15 years. As well as rainfall deficiency, LDCs consider a number of criteria including:

- water and pasture availability
- condition of stock
- the extent of drought movements of stock to forced sales or slaughter and to agistment

- quantity of fodder introduced and whether other abnormal factors, such as high temperatures and winds, have affected the situation
- the number of Individually Droughted Property (IDP) declarations that have been issued (there is no particular percentage of properties that need to be IDP declared for an area recommendation to be made)
- prevailing weather conditions such as winds and temperatures.

The Queensland Government recognises that some local government areas are large and as a whole do not meet the criteria, but localised areas may do so. Therefore, primary producers who are located in an area which is not drought declared but believe they are experiencing drought conditions can apply for an IDP declaration. An IDP gives the same access to Queensland Government drought assistance as an area declaration.

Recommendations to remove the drought status of an area are not made immediately after what is considered to be a good fall of rain. Some time is allowed to elapse to ensure that the benefit that was expected from relief rain materialised.

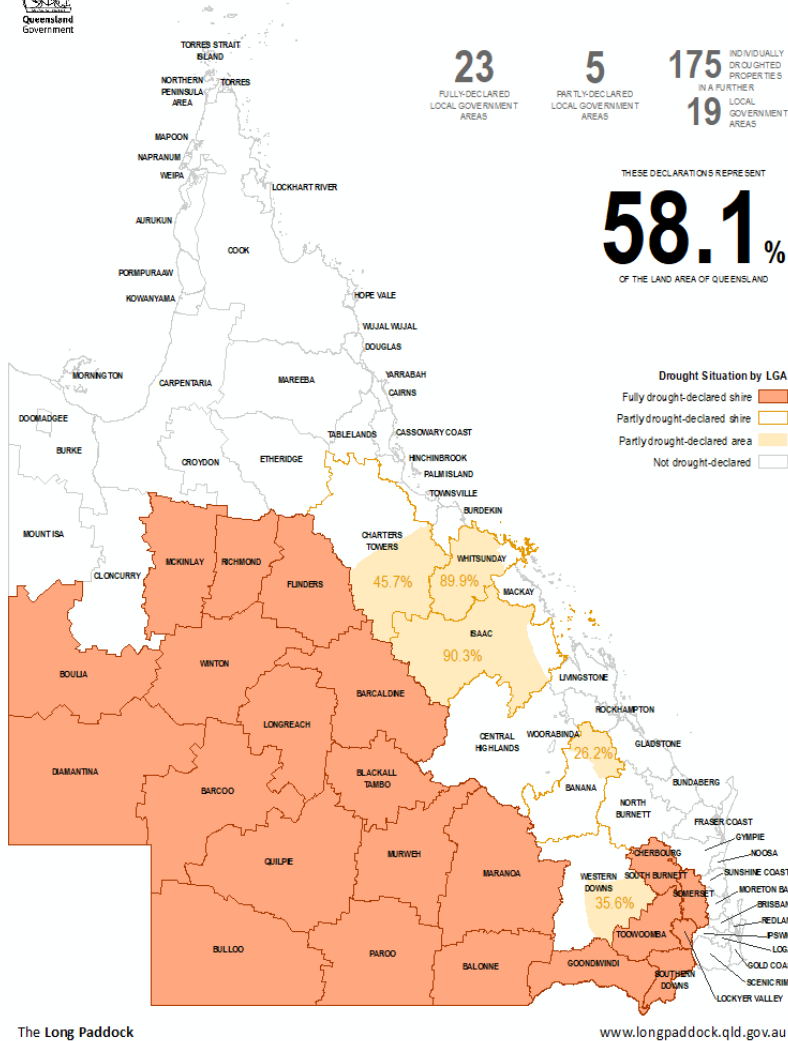
LDCs consider a number of points when considering a recommendation for revocation of an area, including:

- the amount of rain that has fallen and whether such rain was general or not
- the response of crops and pastures and their condition
- availability of surface water
- condition of livestock
- prevailing weather conditions such as winds and temperatures
- whether supplementary feeding has ceased throughout the district
- any other factors that could affect the area.



## QUEENSLAND DROUGHT SITUATION

As reviewed on 1 January 2019



## 5.2 Drought Relief Assistance Scheme (Department of Agriculture and Fisheries)

The purpose of the DRAS is to help primary producers with drought declared properties to:

- manage the welfare of their core breeding herd during drought
- restore their herds after drought.

Producers with a property that is currently drought declared may be eligible during the drought event for:

- freight subsidies for transporting fodder
- freight subsidies for transporting water.

Producers with a property that has had its drought declaration revoked may be eligible for up to two years from the end of the drought event for:

- freight subsidies for transporting livestock returning from agistment
- freight subsidies for transporting livestock purchased for restocking



### **5.2.1 Fodder**

Subsidies apply for the cartage of fodder to feed livestock permanently resident on the home property. Stock includes cattle, sheep, goats, deer, and working and breeding horses, provided the stock are not normally totally hand-fed. Fodder for use in both commercial and opportunity feedlots, or for any other form of production feeding, including the feeding of stud stock at above survival feeding levels, is ineligible. Dairy farmers were eligible for the component of fodder purchases that were in excess of normal production feeding purposes; however, in 2002, the Queensland Government waived this provision, allowing dairy farmers the same access to freight subsidies as beef and sheep producers.

### **5.2.2 Water freight subsidy**

A freight subsidy is provided on the cartage of water for livestock drinking purposes, from the nearest practical source to stock watering points on a drought declared property. The subsidy is also provided for cartage to stock routes and reserves in drought declared shires. The subsidy is also provided to intensive livestock enterprises for livestock drinking purposes only.

The provision of water cartage assistance is available subject to the primary producer taking steps to ensure there is an adequate water supply for livestock remaining on the property in future droughts. In practice, however, producers have not been refused access to water freight subsidies on this basis.

### **5.2.3 Returning from agistment**

Freight subsidy is available from the furthest point of agistment, by the most direct route, for the return of all stock (breeders and non-breeders) that were sent to agistment (plus progeny born on agistment) while the property of origin was drought declared, and including the two-month period prior to declaration.

The subsidy is available for a period of 12 months or, in special circumstances, up to 24 months after the droughted status of a declared area, an individual holding within a declared area, or an IDP declaration has been revoked. There are a number of specific conditions that apply to this subsidy. For example, the subsidy is not available for the return of non-breeders to a drought declared holding, but is available to breeders if they were genuinely forced off agistment. If the livestock owner's property remains drought declared, a statutory declaration from the owner of the agisted property is required indicating that the livestock were forced off agistment before access to this subsidy is provided.

### **5.2.4 Restocking freight subsidy**

A subsidy up to 75% of reasonable transportation costs is provided on the conveyance of livestock in the restoration process following drought. The subsidy is available for a period of 24 months after the drought status of a declared area, an individual holding within a declared area, or an IDP declaration has been revoked. The number of stock eligible for freight subsidy is calculated at the rate of 75% of the total number of all livestock sold (including those sold from agistment, but not those sold from feedlots) during the period of drought declaration, and during the two-month period immediately prior to declaration. A sheep to cattle ratio of 7:1 applies when restocking changes from one species to another.

### **5.2.5 Emergency Water Infrastructure Rebate**

The Emergency Water Infrastructure Rebate (EWIR) provides a rebate on the purchase and installation of water infrastructure installed for emergency animal welfare needs.

## **5.3 Land rent subsidies (Department of Natural Resources, Mines and Energy)**

As part of the government's drought assistance package, landholders of rural leases (being Category 11 leases used for grazing and primary production) issued under the *Land Act 1994* are eligible for a rebate of 15% of the annual rent, where that annual payment is more than the minimum rent of \$261

(excl. GST). The rebate is available to leases in drought declared areas and IDPs. Landholders who are eligible for the rebate receive information with their annual or quarterly invoices.

#### **5.4 Water licence waivers (Department of Natural Resources, Mines and Energy)**

Annual water licence fees are waived for Queensland producers whose properties are in drought declared areas or who have an IDP. Affected producers will be advised of the waiver by letter. Fees for all new water licence applications for stock and domestic water in all drought declared areas in Queensland are also waived. This includes properties with an IDP.

#### **5.5 Drought Relief From Electricity Charges Scheme (Department of Natural Resources, Mines and Energy)**

The Drought Relief from Electricity Charges Scheme (DRECS) provides relief from supply charges on electricity accounts that are used to pump water for farm or irrigation purposes. Financial assistance is available in drought declared areas, or for properties that have been drought declared. Producers can apply for a waiver or reimbursement of supply charges on all relevant electricity accounts.

#### **5.6 Living Away From Home Allowances Scheme Drought Supplement (Department of Education)**

The Living Away From Home Allowances Scheme (LAFHAS) supports eligible Queensland families whose children need to live away from home to attend a state school or an accredited non-state school. This may be because their homes are geographically isolated or the nearest school is a bypass school. The LAFHAS Guidelines are provided at Appendix 5.

The LAFHAS Drought Supplement provided an additional payment to eligible people under the LAFHAS for the 2016–17 and 2017–18 years. This was in direct response to a recommendation in the Rural Debt and Drought Taskforce Report. It is only available to those families already supported by LAFHAS, and in drought declared shires or on an IDP.

#### **5.7 Community Drought Support (Department of Communities, Disability Services and Seniors)**

The Community Drought Support package aims to strengthen the resilience of drought-affected Queenslanders through the delivery of community events and activities, Flexible Financial Hardship Funding, and the development of drought management plans. Drought assistance funding is distributed to local councils, neighbourhood centres and emergency relief providers across all drought declared areas. Program funding included:

- community events, activities and functions to build resilience and capacity, promote wellbeing and provide important information about support available
- training and support for key community leaders such as GPs, ministers, teachers and government workers to access information, advice and assistance to support individuals and families, and link them to the services and support they need
- counselling and support to help people recognise when they are under stress, develop self-care resilience plans and identify when things are getting too much. This may include face-to-face and telephone support, linking through social media, as well as brokerage funds to access more specialised support when needed
- development of virtual communication tools in drought-affected areas
- face-to-face and telephone counselling, and a community connection program
- newsletters and virtual media providing information on drought-related services

- measures to assist rural communities manage agriculture-related hardship in drought declared areas
- financial hardship assistance
- development of a mental health and community resilience tool kit to assist communities in helping local people cope with the ongoing impact of drought
- Flexible Financial Hardship Funding
- funds to the Queensland Country Women's Association (QCWA) Public Rural Crisis Fund
- community drought resilience plan development
- small scale, on-farm practical skills development activities, which incorporate a connectedness and support element for farmers, graziers and other participants.

## **5.8 Transport-related drought assistance (Department of Transport and Main Roads)**

Transport-related drought assistance measures include:

- permits for increasing the maximum hay loading height
- concessions on shifting droughted livestock
- waivers and greater flexibility on certain vehicle registration conditions, and fees and charges
- increased school transport allowances for some families who drive their children to school or connect with a school bus run.

***The following programs are not part of the Drought Assistance Package, but can be seen to address some of the objectives of the National Drought Policy.***

## **5.9 Tackling Regional Adversity through Integrated Care**

As part of Queensland Health's Tackling Regional Adversity through Integrated Care (TRAIC) program, grants valued between \$5000 and \$50 000 are available each year to enable Queensland communities affected by adversity associated with drought, disaster and other crises to build community resilience, in other words, the sustained ability of a community to withstand and recover from adversity.

## **5.10 Royal Flying Doctor Service's Drought Wellbeing Service**

This program, funded by Queensland Health, provides mental health services to droughted remote communities through workshops and primary health care.

## **5.11 Primary Industry Productivity Enhancement Scheme**

The purpose of the Primary Industry Productivity Enhancement Scheme (PIPES) is to provide loans at concessional rates of interest to existing primary producers, and to those looking to enter the primary production industry or upgrade their existing non-viable primary production enterprise. This program is administrated on behalf of the Department of Agriculture and Fisheries. This scheme is made up of two separate programs, the Sustainability Loan program and the First Start Loan program.

## **5.12 Farm business training**

The Farm Business Management Skill Set aims to enhance practical business skills, and covers business planning, budgeting, risk management and succession planning. It provides the

essential knowledge needed to more effectively manage a farm and helps to identify areas for improvement.

This qualification is a nationally recognised qualification and is open to anyone who is an owner of, manager of or worker on a farm in Queensland, and they may already hold a Certificate IV or higher level qualification. The qualification is subsidised under Queensland's demand-driven VET Investment Plan, and there are no caps on the number of students or funding expenditure. The qualification has recently been promoted through the Rural Jobs and Skills Alliance.

### **5.13 Rural Financial Counselling Service**

Additional Queensland Government funding of \$600 000 to the Commonwealth's Rural Financial Counselling Service provides counselling to Queensland primary producers. An agreement is currently being negotiated for financial counselling for small businesses in drought-affected areas.

### **5.14 Drought Commissioners**

To provide the Queensland Government with advice on current conditions and the effectiveness of current drought assistance, two Drought Commissioners have been appointed, and will report directly to the Queensland Government on drought-related issues. The Commissioners have raised issues around charity funding, support for education and children in drought-affected areas, dam de-silting, grazing access to national parks, reduced feed supplies including cotton seed and molasses, acute financial stress for individuals, financial assistance for small businesses, and various other issues about the current situation in key areas of western Queensland.

### **5.15 Queensland Drought Appeal and other charity support**

The Queensland Government launched the Queensland Drought Appeal (QDA) with a \$100 000 donation on 9 August 2018. Money from the QDA goes to the QCWA to support drought-impacted communities. The QDA has raised more than \$2.8 million. The fund has largely been expended; however, the QCWA is still providing funds from other appeals. The QDA also supported small businesses in drought-impacted communities.

### **5.16 Drought and Climate Adaptation Program**

The Drought and Climate Adaptation Program (DCAP) is the Queensland Government's flagship drought and climate preparedness and resilience program (for details refer Appendix 6). The DCAP has three objectives:

- improving the drought resilience and preparedness of primary producers
- improving the capacity of primary producers to manage climate variability
- improving the capacity of primary producers to adapt to climate change.

### **5.17 Queensland Feral Pest Initiative – business assistance**

The Queensland Government supports effective wild dog management in Queensland through the Queensland Feral Pest Initiative. The Queensland Government has committed \$19.74 million in the last three years to assist regional communities with the construction of cluster fences and the control of weeds and pest animals. This investment has been complemented with \$13 million of investment by the Commonwealth.

Round 3 of the Queensland Feral Pest Initiative will offer a total of \$7 million in funding for wild dog cluster fencing and the control of invasive plants and animals in 2018–19.



## **6 Key themes identified through consultation**

Since 2012–13, drought programs delivered by the Queensland Government have provided \$164 million in financial assistance to eligible farmers, landholders, individuals and communities.

The Queensland Government engaged Marsden Jacob Associates to consider the effectiveness and efficiency of programs, and their alignment to the Intergovernmental Agreement on National Drought Program Reform (IGA). Marsden Jacob Associates, in their Queensland Drought Program Evaluations, found the focus and performance of the programs is mixed.

While programs are broadly achieving their stated objectives and carefully administered, the effectiveness and efficiency of a number of the programs is relatively weak, and they can result in a variety of undesirable outcomes in the longer term. Most programs focus on drought declared farms and individuals, but by their nature exclude many primary producers experiencing drought conditions, and they do not encourage preparedness and resilience. This was supported by the key themes identified in submissions, interviews and regional forums.

### **Agriculture policy frameworks**

Agriculture lobby groups and a number of individual businesses sought a framework that considers the role and impact of agriculture in Queensland's economy. This included considering government policy priorities and highlighting the opportunities and barriers to success for farm businesses.

### **Drought policy**

There was a consistent theme of the need for better policy mechanisms and consistency to support businesses and communities in drought to ensure consistency with the IGA. Policy and programs should be broadened to all agricultural industries, not just the livestock sector.

There is an identified need for guiding principles to formulate future policies and programs, which could be used to monitor, assess and report the performance against the objectives of the IGA. It was proposed that this be done through a working group involving all government departments and key stakeholders to assess timing for changes to drought policy and programs.

Queensland Farmers Federation (QFF) also made a call for there to be a COAG Agriculture Council established that has drought policy as a standing item of business. AgForce seeks the adoption of the Agricultural Business Cycle as a new approach to drought policy in Queensland, which aims to empower businesses to better manage climate risk.

### **Resilience and preparedness**

New drought programs must be forward-looking to ensure farmers are resilient against climate change and dynamically changing markets.

As a component of preparedness obligations, practical drought management plans should be used to promote forward planning. These plans could help people become more prepared, and access better finance options or assistance in drought.

There was general support for the Queensland Government's DCAP. A number of submissions identified the need for investment into drought and climate risk-relevant research, development and extension that supports producers to manage drought better.

This included weather forecast improvements for the short and long term, better predictive modelling, biomass modelling, and the need for more extension and education for adoption.

Assistance was also sought for agricultural insurance products to help address the price and supply issues around insurance. An immediate measure could be the removal of transfer duty on insurance products.

A single, user-friendly portal to house all-government drought support arrangements and related assistance information should be established.

A number of resilience measures were identified around federal government initiatives, such as options to enable the paying down of debt without huge tax implications, and incentivise investment in drought preparedness infrastructure.

## **Drought declarations**

There were varied options put forward around the issue of drought declarations. Most submissions identified that there was currently a lack of transparency and consistency in the process.

QFF recommended abolishing the LDCs, and making the drought declaration process a science-based, multi-layered framework of publicly accessible indicators, supported by local ground-truthing. QFF also identified the need to extend the time frame for what constitutes drought conditions from a 'one in 10 to 15-year event' to a 'one in 25-year event'.

In contrast, AgForce recommended the current IDP function be elevated as the key mechanism for accessing drought programs. AgForce also recommended that the LDC process continue, as it provides locally relevant expertise and support for government decision-making, as does the inclusion of representatives from AgForce on those committees.

## **Business support measures**

### **Water access/costs/infrastructure**

A number of submissions identified the need to broaden water policy settings (on a scheme-by-scheme basis) to ensure access to water resources to better prepare for and manage through drought. Continuation of the EWIR was supported, as the program delivers on the immediate needs of producers, while assisting with building long-term resilience. Access to loans or grants that enable better water use efficiency and infrastructure would build resilience. A number of submissions recommended the continuation of the water licence waivers, and the continuation of support into the recovery phase (post-drought event).

### **Electricity**

Submissions identified the need to maintain DRECS until government efficiently prices electricity and delivers a suite of suitable tariffs for agriculture.

### **Mulga**

Mulga was identified as a fundamental fodder crop for some beef and sheep graziers. The shrub does not die when rolled, can be managed as an important feed stock in the business, and is a regenerative resource. Minor changes to the current arrangements could help reduce the burden on these businesses. A reinstatement of self-assessment under the *Accepted Development Vegetation Clearing Code: Managing Fodder Harvesting* and a drought management plan are workable, which could include using mulga.

### **Other business support**

There was a call for government long-term, low interest loans for rural landholders, as well as access to overdrafts and recovery finance, fixed cost relief during droughts for not just grazing sectors, and additional relief from fixed costs such as rates and leasehold land rental. There was support for the

continuation of transport-related drought assistance and further transparent reporting on the effectiveness and uptake of support measures. A number of submissions sought a partial destocking support measure as drought risk increases, assistance with storage of molasses for dry season, overseas contracts reducing availability in Queensland, subsidy on grain to keep sheep and cattle alive, and continuation of the co-investment Queensland Feral Pest Initiative or a similar program.

## **Rural communities**

Regional investment programs should consider the possibility of tailoring a schedule of works to offset decreased farm sector spending in regional areas. Continuation of the Department of Communities Community Drought Support funding was a means of ensuring community-driven events that respond to the specific needs and interests of the region.

State government support towards direct relief from council rates during drought events would assist in reducing the financial burdens experienced, not only on farm, but on the local economy and employment security. Restoration of the Zone Tax Rebate Scheme would give some impetus to a new way forward for business development across regional Australia. Diversification of local community economies could be done through tourism or a renewable energy future. A grants and subsidies framework would enable greater certainty and long-term planning for rural and regional councils to better manage their assets and revenue forecasts, and sustain their workforce and communities.

## **Mental health**

There was support for the need to continue to support mental health and wellness initiatives in communities. This includes programs such as the TRAIC, and health and mental health services that are embedded in communities as an ongoing aspect of regional services, rather than a crisis response measure.

## **School education**

A number of submissions sought a permanent drought assistance subsidy, triggered by drought declarations, which is available for geographically isolated students who live away from home to access their education, during and in the recovery period of drought. There are currently eight Queensland shires that do not have a high school, and a further three shires have no schooling beyond Year 10.

## **7 Options for future drought management response and assistance measures**

### **7.1 Drought declarations**

(For details regarding the current process, refer to 5.1 in this report.)

LDCs were established in 1982 to assist Stock Inspectors (now Biosecurity Inspectors) to make recommendations to the Minister for Primary Industries (now the Minister for Agricultural Industry Development and Fisheries) on the need for regional council/shire declarations and revocations. Following changes in November 2008, the role of the LDC Coordinator was transferred from the local Biosecurity Inspector for that region to the Department of Primary Industries (now Department of Agriculture and Fisheries — DAF) Climate Risk Coordinator.

The LDC process is an integral part of the state government's response to drought. Therefore, it is important that a good working relationship exists between members, and that declaration and revocation processes are conducted in a professional manner. It is imperative that all recommendations are conducted in line with the appropriate criteria, and are based on objective decision-making and free from bias.

The LDCs assess initial applications for IDP declarations and make recommendations to the Minister for Agricultural Industry Development and Fisheries on area declarations or revocations.

LDCs are based on regional council/shires or multiple regional council/shire areas, and comprise local producers, representatives from the various primary production industry organisations operating in that district, together with relevant DAF personnel.

The knowledge local producers have regarding the local environment, soil types, suitable stocking rates, pasture types and its availability (including the nutritional value) is invaluable in supporting fair and equitable decisions for all parties regarding drought declarations/revocations and assessing claims for assistance.

The Panel acknowledged recent publicity regarding drought declarations and revocations in various parts of the state. This publicity was born out of a lack of understanding of LDCs' areas of responsibilities and the processes and procedures, which created confusion and uncertainty within the community.

In the process of compiling this report, the Panel investigated the current activities or actions under the Queensland Government's DCAP. A number of these specific projects are addressing areas that were raised by primary producers at both regional forums and within the submission process. A summary document of the progress of the specific projects that relate to measuring drought impacts and severity are provided at Appendix 6.

The Panel is firmly of the view that the development of these evidence-based data utilisation models will address the current subjectivity and observation-based assessment of drought onset, severity and longevity. The Panel envisages that, on the development and refinement of a Drought Severity Index, a future requirement for a binary 'in or out of drought' declaration will no longer be necessary. A severity index will provide triggers to help landholders to prepare for worsening conditions; advise the government on impacts of adverse climatic conditions; and allow for interventions and assistance that will be measured and reflect the impact of the conditions on individual agribusinesses and the community.

A future process for assessing drought declaration should utilise these new initiatives and products to ensure accurate information is the primary mechanism; however, this should be used in conjunction with substantiated observations at a regional level. This acknowledges each agricultural enterprise

and region is unique, and should enable individual producers, who have a different appetite for risk, to manage their risk profile in a timely manner for their business.

This approach is predicated on the development and finalisation of these evidence-based, objective measures, as well as a transition towards building an understanding of, trust in, and proper utilisation of these instruments. It is envisaged that once this system is accepted by industry, government and community, this will eliminate the potential subjective assessment of drought declarations, and ensure that all relevant and available data is utilised to cover all climatic eventualities.

## **Recommendation**

- 1. The existing Local Drought Committee (LDC) Framework and the drought declaration process, including Individually Droughted Properties (IDPs), be maintained in the immediate future. The areas of responsibility and processes and procedures of the LDCs should be immediately clarified and made publicly available to avoid confusion and misinformation.**
- 2. By 30 June 2021, the current LDC system and declaration process be reviewed and restructured into a new system for declarations that will be based on the transition to a more objective, science-based, multi-layered framework utilising publicly accessible indicators, and maintaining appropriate local input.**

## **7.2 Drought Relief Assistance Scheme (Department of Agriculture and Fisheries)**

(For details regarding the current scheme, refer to 5.2 in this report.)

### **Key points**

The DRAS was introduced in the mid-1960s, and it sought to deliver a range of outcomes, including the maintenance of the core breeding herd of extensive livestock enterprises, with the intention of aiding the recovery from drought. The objectives of the DRAS are not well defined and are open to interpretation. They are also not set within an overarching and clear drought policy. Over time, the scheme has developed prescriptive eligibility criteria in order to target the delivery of the program, and some of these criteria (such as the program applying to core breeding stock at the commencement of the period of drought) are difficult to practically verify, audit and enforce.

There is evidence that the lack of clarity on the objectives has encouraged management decisions that maximise access to the scheme, rather than sustainable management practices. The risk is that the continuation of these schemes in relation to animal welfare, natural resource management and the return of stock to the property post-drought to enable the rapid recovery of the farm business will continue to deliver perverse outcomes that do not reflect the intent of the scheme.

Target producers are primarily limited to pastoral enterprises. Coverage for cropping, horticulture, amenity horticulture and intensive livestock industries is limited or non-existent. The DRAS encourages management decisions that maximise access to the subsidies, rather than maximising sustainable management practices. Only a small proportion of eligible producers access the scheme. It must be assumed that the majority of producers choose drought management strategies that do not result in the need to access the DRAS.

### **Fodder and water**

The program has delivered over \$40.8 million to eligible landholders since 2012–13, and has provided financial support to eligible farm businesses that experience increased supplementary feeding costs, and this can have positive financial outcomes for the affected businesses and farm households given the close connection of some farm businesses to household income — these factors appear to be

major drivers of its continued operation, despite its misalignment with National Drought Policy principles.

The scheme is focused on the grazing systems, and does not offer assistance to a range of other livestock producers who can be experiencing the effects of drought on input markets, such as higher feed prices and transport prices, and intensive livestock and cropping.

The DRAS is transaction based, does not align to the IGA principles, can create a range of unintended consequences, does not appear to meet market failure and net benefit tests.

While DRAS is a well-established scheme, there are constant calls to expand the scope of subsidies and the types of subsidy on offer for each successive drought. Pressure to make drought declarations well before the criteria presents a risk to the process.

## **Recommendation**

- 3. The current Drought Relief Assistance Scheme (DRAS) fodder and water freight subsidies cease on the revocation of current drought declarations, including area declarations and IDPs.**

### **Livestock freight subsidies**

The uptake has been relatively small, reflecting the current phase of the drought. It has delivered \$4 million to eligible landholders since 2012–13, has provided financial support to eligible farm businesses seeking to transport returning agisted stock, and can have positive short-term consequences for those household incomes given the close connection of some farm businesses to the household budgets — these factors appear to be major drivers of its continued operation, despite its misalignment with National Drought Policy principles agreed to under the IGA.

As per its development in the mid-1960s, this scheme seeks to deliver a range of outcomes, including the maintenance of the core breeding herd of extensive livestock enterprises, with the intention of aiding the recovery from drought. However, these impacts can be mixed if the return of stock is premature and the feeding capacity of the land has not sufficiently recovered.

## **Recommendation**

- 4. The DRAS livestock freight subsidy cease on the revocation of current declarations, including area declarations and IDPs. Restocking and returning from agistment subsidies would be available for two years, as per existing guidelines, after current declarations are revoked.**

### **Emergency Water Infrastructure Rebate**

The Panel has received consistent and significant feedback that the EWIR has been one of the most well-utilised of the Queensland Government drought programs. This program was originally developed and implemented by the Queensland Government with the provision of a 50% rebate on approved expenditure. At a later date, the Australian Government provided co-funding of an additional 25% of approved expenditure, but in more recent times, it has been funded solely by the Queensland Government. The Australian Government announced in October 2018 that it would resume its co-contribution (which amounts to an additional 25% rebate).

The uptake of the program has been relatively large, reflecting the current phase of the drought. It has delivered \$47.5 million to eligible landholders since 2012–13. The EWIR has provided financial support to eligible farm businesses seeking to install emergency water infrastructure. The EWIR is transaction based, and does not align to the National Drought Reform Principles 2013. It does, however, provide emergency relief, supports preparedness, and aligns with the National Drought Agreement 2018 with respect to the roles of the states and territories.

The guidelines are underpinned by a water availability statement that appears to be generally robustly applied to help ensure some criteria in relation to the availability of water and watering needs of livestock are met.

The EWIR has excluded a range of other livestock producers who can be experiencing the effects of drought on input markets, such as higher feed prices and transport prices, and has also excluded support to non-livestock primary producers.

The Panel noted that, in the absence of robust drought management plans for the affected property, there is also a risk the infrastructure may discourage future preparedness and entrench poor decision-making in relation to the retention of livestock.

The Panel received consistent feedback regarding the addition of de-silting dams to the EWIR. The concept of being able to de-silt dams in the middle of a drought makes sense from a pragmatic business point of view, and many respondents asserted that expansion of the EWIR to include dam de-silting would be logical.

As the EWIR has been expressly designed to address *emergency* water requirements and avoid animal welfare concerns, the de-silting of dams does not fit within the guidelines of an emergency response or action. While it would definitely result in better water storage and resilience for the next drought event, it is difficult to find a way to fit within the EWIR.

The Panel propose that the EWIR be retained as an ongoing scheme to address emergency water and be administered by Queensland Rural and Industry Development Authority (QRIDA). The Panel is also of the view that the de-silting of dams is a very important component of drought preparedness and resilience. It recognises that QRIDA has a range of other programs that could assist and complement further improvements of water infrastructure. It is recommended that the guidelines of the EWIR be reviewed to include all extensive livestock and additional water infrastructure projects, or an additional scheme be developed.

The Panel is aware that, following the Prime Minister's Drought Summit in Canberra on Friday 26 October 2018, the federal government has allocated funding to the EWIR. It is understood that this may include the de-silting of dams, and that guidelines were being developed for a suitable program.

### **Recommendation**

- 5. The EWIR Scheme continue over the course of the current drought, be maintained as part of any future drought response, and be administered by the Queensland Rural and Industry Development Authority (QRIDA). The guidelines of the scheme should be broadened to include all extensive livestock production systems, not just breeding stock. These guidelines should make stock housed on the property for more than 12 months eligible.**

## **7.3 Land rent subsidies (Department of Natural Resources, Mines and Energy)**

(For details regarding the program, refer to 5.3 in this report.)

The program has delivered significant benefits to eligible leaseholders in drought declared areas, is applied to the yearly land rental notice, and has been well received, as Queensland has a significant amount of area under lease.

The benefit of this program is that it represents a small financial impact due to it being resourced from foregone revenue for the Queensland Government, since it is a rebate applied to rentals from the government-owned leasehold land estate. This is in contrast to the need to source additional funds to inject into alternative programs, which may or may not deliver similar benefits.

Given the close links between farm business expense and household finances, this program can make an incremental positive contribution to household income. While this program does not align

completely with National Drought Policy, it does fit with the responsibility of governments to provide 'support to mitigate the effects of drought on farming families and farming communities'. This point is part of the new National Drought Agreement, and therefore fits with this important point.

### **Recommendation**

- 6. The existing Department of Natural Resources, Mines and Energy (DNRME) land rent subsidies be continued (subject to future drought declaration parameters).**

## **7.4 Water licence waivers (Department of Natural Resources, Mines and Energy)**

(For details regarding the program, refer to 5.4 in this report.)

The program has delivered significant benefits to eligible water licence holders in drought declared areas and IDPs. It is applied on a monthly basis on receipt of advice of declaration from DAF, and is well received. All properties with a water licence are eligible, with the exclusion of properties that are under the ownership of the government or mining companies. Water licence waivers occur for all property types, and are not exclusively applied to primary producers. This recognises the effect of drought on the broader community, and it is one of the only programs that provides any measurable assistance to other community members.

At the Ayr, Bundaberg and Dalby forums, the Panel received consistent feedback from attendees that the fixed costs elements of their business budgets were the most challenging to meet during drought. A number of participants acknowledged that water licence waivers were an effective means of assistance to help defray these fixed costs.

Given the close links between farm business expense and household finances, this program can make an incremental positive contribution to household income. While this program does not align completely with National Drought Policy, it does fit with the responsibility of governments to provide 'support to mitigate the effects of drought on farming families and farming communities'. This point is part of the new National Drought Agreement, and therefore fits with this important point.

### **Recommendation**

- 7. The existing DNRME water licence waivers be continued (subject to future drought declaration parameters).**

## **7.5 Drought Relief from Electricity Charges Scheme (Department of Natural Resources, Mines and Energy)**

(For details regarding the scheme, refer to 5.5 in this report.)

This scheme has delivered in the order of \$28 million in electricity charge relief since 2012–13 to eligible landholders who have no water to pump or severely restricted access to water.

The scheme has provided relief to landholders on their fixed electricity charges, and the extent of that relief varies according to their intensity of energy use to pump water. It can have positive short-term consequences for those household incomes given the close connection of some farm businesses to the household budgets.

The scheme is highly valued by eligible landholders and, in part, this reflects general financial pressures associated with the rise of electricity supply charges more generally over the period, and the fact that fixed charges can represent a larger proportion of electricity bills in drought periods when variable usage falls.

The scheme currently requires primary producers to apply and declare eligibility, and this eligibility is poorly defined and open to interpretation.



There are gaps in administrative efficiency, and there is poor alignment with some of the National Drought Policy principles. However while the scheme does not align completely with National Drought Policy, it does fit with the responsibility of governments to provide 'support to mitigate the effects of drought on farming families and farming communities'.

At the Ayr, Bundaberg and Dalby forums, the Panel received consistent feedback from attendees that the fixed costs elements, and the usage charge of their electricity bills, were the most challenging to meet during drought.

The Panel received a number of representations outlining the positive contribution that this scheme made to the recipients' ability to maintain business activity. QFF, on behalf of irrigated industries, outlined the complexity of issues relating to energy and water pricing, and the energy–water–climate nexus, and provided detail of a significant body of work that has been done with the Queensland Government on this issue. The Panel is not in a position to comprehensively respond to the detail, but understands that options for addressing this issue on the long-term basis, and specifically options for drought mitigation, are being discussed. In the absence of any clear decision on tariff reform, the Panel recommends the retention of DRECS.

#### **Recommendation:**

- 8. The Drought Relief from Electricity Charges Scheme (DRECS) be continued with administrative improvements and clear definition of eligibility (subject to future drought declaration parameters) until government provides a suitable suite of tariffs for agriculture.**
- 9. Future drought electricity tariffs should reward energy efficiency and coordinated investment in solar and other renewables on a local/district scale.**

## **7.6 Living Away From Home Allowances Scheme Drought Supplement (Department of Education)**

(For details regarding the program, refer to 5.6 in this report.)

The program has provided \$3.7 million in assistance since 2012–13 to LAFHAS recipients residing in drought declared shires or on IDPs. Payments were administered by the Department of Education, and equated to \$1250 per student per year in 2016 and 2017, with the remaining surplus of \$279 per student paid in 2018.

The supplement supports eligible remote, drought-affected households, as it is focused on students from remote areas who do not have access to alternatives. This supplement supports eligible Queensland families whose children need to live away from home to attend a state school or an accredited non-state school. In some instances, these remote areas do not have any secondary education available at all, or in some cases, only as far as Year 10. The program excludes households with school children **not** receiving the living away from home allowance. The LAFHAS Drought Supplement is an **additional allowance** that is only provided to those eligible under the main LAFHAS scheme.

The Isolated Children's Parents' Association (ICPA) Qld submission provided useful statistics on lack of access to adequate secondary education for those children living in remote parts of the state and experiencing drought conditions. The Panel has replicated this information in the table below.

<b>Shire</b>	<b>Size (km<sup>2</sup>)</b>	<b>Communities</b>	<b>P–10 schools</b>	<b>P–12, 7–12 schools</b>
Diamantina	94823	2	0	0
Croydon	29578	2	0	0
Barcoo	62001	3	0	0

Bulloo	73807	3	0	0
Burke	40126	2	0	0
Boulia	61102	2	0	0
McKinlay	40880	5	0	0
Etheridge	39332	7	0	0
Quilpie	67633	3	1	0
Richmond	26602	1	1	0
Carpentaria	64373	2	1	0
Winton	53935	3	0	1
Flinders	41538	4	0	1
Paroo	47714	4	0	1
Cook	106188	13	0	2
Barcaldine	53677	5	2	1
Cloncurry	48113	4	0	1
Longreach	40638	4	0	1
Murweh	40742	3	0	1
Charters Towers	68388	4	0	4 (3 private)
Isaac	58862	10	0	4
Emerald	59884	19	1	5
Maranoa	58830	9	3	2
Mt Isa	43348	2	0	2

The Panel received strong personal representations from many forum attendees at Charleville, Longreach and Cloncurry outlining the value that this program had delivered. Some of these attendees expressed strong emotional sentiment for the need to provide their children with an education, and confirmed that this additional contribution from the state government was well received.

The re-establishment of this supplement would be a healthy investment in the sustainability of communities during this, and subsequent, droughts. The structure for distribution has been established, demonstrating cross-collaboration between departments and ensuring funds went to where they were needed.

This scheme, albeit not extensive, has provided a vital support mechanism to those families in these remote, drought declared areas. The Panel considers this scheme is vital to assist with the important continuation of a basic education to those families living in these **remote** drought affected areas.

## Recommendation

- 10. The Queensland Department of Education Living Away from Home Allowances Scheme (LAHFAS) Drought Supplement be reintroduced immediately and become part of a continuing Queensland Government drought assistance program (subject to future drought declaration parameters).**

## 7.7 Community Drought Support (Department of Communities, Disability Services and Seniors)

(For details regarding the program, refer to 5.7 in this report.)

In both the formal written submissions and regional forums, the Panel received consistent feedback of the importance to acknowledge that communities in drought-affected areas were also in need of support and assistance. Traditionally, drought assistance programs have been targeted towards the primary producer. The Panel is of the view that targeted and focused community assistance programs, developed and delivered locally, will provide this support.

This program has delivered over \$17.9 million to drought-affected communities and households since 2012–13. The program delivers both community resilience and preparedness initiatives, but also individual welfare relief. It is delivered by local government and a wide array of community agencies with a regional or state-wide presence.

Allocations to local governments and providers are determined by the department based on multiple criteria and internal judgement on community need. The program is valued by stakeholders and, where appropriately targeted and delivered, can support longer term community resilience and preparedness.

This program aligns with the national drought principles.

## Recommendation

- 11. The Department of Communities, Disability Services and Seniors Community Drought Support program be continued, with administrative improvements that provide for a defined formulae for determining the quantum of grants allocated to each local government area. The Queensland Government develop clear guidelines which will allow individual communities to determine the priorities and delivery model that best suit their needs (subject to future drought declaration parameters).**

## 7.8 Transport-related drought assistance (Department of Transport and Main Roads)

(For details regarding the program, refer to 5.8 in this report.)

The assistance has been utilised in the transport sector to move livestock to and from farm properties more efficiently using longer multi-combination vehicles. Transport and Main Roads (TMR) has indicated that most of the transport operators benefitting were transport companies. The Panel considered this to be a positive aspect of this scheme, as it is the only assistance measure that is utilised by non-agricultural businesses.

The assistance has delivered financial relief to transport operators via fee waivers and exemptions. The total financial benefit of the certificate of inspection waiver is approximately \$1.5 million over the five-year period 2013–14 to 2017–18. TMR was not able to provide information on the value of the other waivers, although they are likely to be less significant than the certificate of inspection waiver.

The Panel noted that it is delivering a net benefit for the community by reducing red tape through enhanced vehicle access, and therefore assists to mitigate, albeit in a small way, the effects of drought on impacted businesses.

## **Recommendation**

- 12. The Department of Transport and Main Roads transport-related drought assistance measures continue, and further development of potential waivers and exemptions be explored by the Queensland Government (subject to future drought declaration parameters).**

*The following programs are not part of the Drought Assistance Package, but can be seen to address some of the objectives of National Drought Policy.*

## **7.9 Tackling Regional Adversity through Integrated Care**

(For details regarding the program, refer to 5.9 in this report.)

The TRAIC program, a \$3.5 million a year program providing local mental health clinicians and community grants, is designed to support the community with a sustained ability to withstand and recover from stresses such as drought and natural disasters. TRAIC has ongoing, recurrent funding, and is not a component of the Drought Assistance Package or a drought-specific program. The program is, however, consistent with the recommendations of the 2008 Kenny Report (It's about people: changing perspectives on dryness), which advocated a targeted mental health support program in regional communities in place, regardless of seasonal conditions, so that the community can better cope with drought events. The Kenny Report recommendations are a foundation of the previous IGA. In August 2018, the Queensland Government introduced a drought supplement to TRAIC, providing a boost to resources already in place.

The Panel notes the program and objectives and, while there was limited feedback through the consultation process, this program should be retained.

## **Recommendation**

- 13. The Queensland Health Tackling Regional Adversity through Integrated Care (TRAIC) program be continued.**

## **7.10 Royal Flying Doctor Service's Drought Wellbeing Service**

(For details regarding this service, refer to 5.10 in this report.)

The Panel notes the program and objectives and, while there was limited feedback through the consultation process, this program should be retained. It is noted the Queensland Government provided confirmation on 13 August 2018 of \$4 million for the Wellbeing Service provided by the Royal Flying Doctor Service (RFDS) over the next four years.

The RFDS is a well-recognised and respected service provider in not only physical health, but mental health services, and is the only service provider in some remote communities. These services are delivered collaboratively, and are paramount to maintaining the health, wellbeing and social fabric of regional Queensland communities.

It is important that, for the long-term sustainability and continuance of this service, all future funding agreements be for longer periods to ensure appropriate planning and provision of services.

## **Recommendation**

- 14. The Royal Flying Doctor Service's Drought Wellbeing Service continue to be supported, and a longer term security of funding be guaranteed.**

## 7.11 Primary Industry Productivity Enhancement Scheme

(For details regarding the program, refer to 5.11 in this report.)

The purpose of assistance under this program is to provide loans at concessional rates of interest to primary producers to implement systems and management practices that enhance their primary production enterprise.

A key outcome identified in the guidelines for the PIPES Sustainability Loans is to mitigate the effects of climate and market risks. This can include the improvement of commodity storage facilities, construction and improvement of fodder storage facilities, best practice systems to minimise the impacts of climate change on production in plant and animal industries (crops and pastures), improvement and maintenance of water supplies, equipment for improved water use efficiency, alternative systems of energy generation, and other activities not listed that are intended to mitigate the effects of climate and market risks.

Any Queensland loan should work on a complementary basis with loan schemes provided by the Commonwealth Regional Investment Corporation.

### Panel comment

**The Panel has addressed the development of a new loan scheme in 8.2 of the report.**

## 7.12 Farm business training

(For details regarding the program, refer to 5.12 in this report.)

Despite providing critical skills, uptake of the Farm Business Management Skill Set has been low, and landholders for various reasons are voting with their feet and utilising other kinds of training, including best management practice. This should be better understood in order to design appropriate responses to improve the uptake going forward.

Evidence provided has indicated that, where training was tailored to meet different regions' needs, and designed in cooperation with farm businesses and industries, participation rates improved. The Panel received updates on aspects of the DCAP projects, where development of tools and instruments are underway which, once developed, could form the basis of future training.

### Panel comment

**The Panel has addressed farm business training in 8.4 in the report.**

## 7.13 Rural Financial Counselling Service

(For details regarding the program, refer to 5.13 in this report.)

This is an important and highly effective service that is delivered by the federal government and supplemented by Queensland Government.

The Panel notes that the Queensland Government is in the process of establishing a Small Business Financial Counselling Service to assist small businesses in droughted communities, similar to the Rural Financial Counselling Service for primary producers. This is an excellent measure to address the needs of a group whose income is severely impacted by drought, but often does not attract the media attention of the agricultural sector. These counsellors help small business operators improve their business performance, climate risk management and ability to survive and keep employing local workers in the current drought. While the scheme is effectively a pilot program, it is hoped it will clearly deliver benefits for droughted small businesses and communities to justify a continuation of the program.

## Recommendation

- 15. The Queensland Government continue to provide a drought supplement to the Australian Government funded Rural Financial Counselling Service (this may require additional funding to maintain the current level of support), and maintain funding for the Small Business Financial Counselling Service.**

## 7.14 Drought Commissioners

(For details regarding the Commissioners, refer to 5.14 in this report.)

The Panel recognises the appointment of two Drought Commissioners in August 2018. As the Drought Commissioners and their activities are not part of the scope of this report, the Panel will not be providing any further comment.

## 7.15 Queensland Drought Appeal and other charity support

(For details regarding the appeal, refer to 5.15 in this report.)

At all regional forums, the Panel received feedback regarding the Queensland Drought Appeal and other charitable donations and support programs. While these programs are not part of the scope of the report, the Panel has observed that there have been examples of confusion and poor communication regarding the availability of, and delivery of the assistance attached to, these generous donations.

It would appear that there needs to be better coordination of these programs to ensure that this generosity is properly communicated and targeted in the future. Where significant or urgent issues were raised with the Panel, these were referred to the appropriate authorities. The panel is aware there have been broader discussions about how this issue should be dealt with in the future based on lessons learned.

Consistent feedback to the Panel gave strong indications that ongoing and future charitable support programs should be designed primarily to deliver financial assistance into the communities. For example, the Western Queensland Drought Appeal has provided eligible recipients with preloaded debit cards that are to be used exclusively within the local town businesses. This provides direct financial assistance to the primary producer/recipient, and supports the local businesses to ensure their sustainability through the drought. A constant theme of discussion at community forums was that, while it was important to support primary producers, it was of equal importance to ensure that the businesses and community services were also sustained.

### Panel comment

**For future drought-related appeals, the delivery model should foster local community decision-making, support local infrastructure, community networks and services, recognise people-place connections, and support local economies.**

## 7.16 Drought and Climate Adaptation Program

(For details regarding the program, refer to 5.16 in this report.)

The Drought and Climate Adaptation Program (DCAP) aims to help producers better manage drought and climate impacts. The best climate scientists, government and non-government agencies, producers and industry leaders are working together on a number of cutting-edge research projects and partnerships.

This research will help businesses manage financial risks with decision-making around droughts and climate variability through improved forecast products, tools and extension activities.

Research will improve the reliability of short-term and seasonal forecasts for northern Australia. New forecasts that focus on the break of season and extreme rainfall and temperature events will benefit

the grazing industry across Queensland and northern Australia. Forecasting of multi-year droughts will provide insight into the risks of runs of wet and dry years, which are important for longer term strategic decision-making. The vegetable industry in south-east Queensland will have better capacity to prepare for, and manage, weather and climate events through improved forecasts. Palaeo-climate research will extend the current recorded rainfall history back 1000 years to understand historical wet and dry periods. This is a much longer period than is currently available. This information will benefit decision-making across the agriculture and water management sectors.

While the DCAP projects are still in development stage, it is critical that a comprehensive delivery plan be developed in readiness for their finalisation. This plan should include engagement with government, industry and private service providers to ensure promotion, delivery, evaluation and review of the programs. Researching the practices that are working and providing appropriate resourcing to extend and adopt those practices rapidly and extensively are an absolute minimum for legitimate drought preparedness policy.

DCAP's major partners include the DAF, Department of Environment and Science, University of Southern Queensland, BoM and Meat & Livestock Australia.

## **Recommendation**

- 16. The Queensland Government bolster its funding and resourcing to current Drought and Climate Adaptation Program projects. This should include funding for the finalisation of existing projects, and appropriate resourcing for extension, delivery and promotion of these valuable long-term preparedness tools.**

## **7.17 Queensland Feral Pest Initiative**

(For details regarding the initiative, refer to 5.17 in this report.)

During the regional forums, the Panel received feedback from organisations and landholders identifying that the management of feral animals and plants can support local jobs, while also provide drought impact mitigation and preparedness.

An evaluation report commissioned by the Remote Area Planning and Development Board outlining progress and outcomes from funding of Wild Dog Exclusion Fencing has demonstrated that it is achieving 'its long term goal is to be the catalyst for achieving significant improvement in the profitability of regional businesses both rural and non-rural, a more stable community, social growth, and better environmental and biosecurity control' (<http://www.notjustafence.org/>).

### **Panel comment**

**The Panel notes that this is not part of its Terms of Reference; however, it is an example of other funding initiatives that deliver long-term sustainability benefits that assist primary producers in their preparedness for drought.**

## 8 Future options

### 8.1 Energy water efficiency

The energy–water–climate nexus is outside the scope of the review. The Panel recognises that further work is required to properly investigate the ‘nexus’ issue. It is understood that a proposal is being developed for an industry-led research project to examine the water–energy–productivity relationships, and what the implications of not addressing this issue properly would mean for the future pricing and use of both water and electricity, and the future viability of the state’s irrigation schemes.

#### Panel comment

**The Panel is aware that the QFF and other organisations have been addressing energy and water pricing, and the energy–water–climate nexus with the Queensland Government, and the QFF provided details of some of this work. The Panel is not in a position to comprehensively respond to the detail, but understands that options for addressing this issue on a long-term basis are being discussed.**

At a number of forums, questions were asked regarding primary producers ability to be able to access additional water licences to assist with on farm fodder production for internal use as a drought mitigation measure. The Panel discussed with DNRME the possibility of additional water licenses being issued from the savings from the Great Artesian Basin Sustainability Initiative and were advised that this option is currently available in certain circumstances, on commercial terms.

#### Panel comment

**This is outside the scope of this report however it may be an initiative that could be further developed as part of an individual business risk management plan, and be promoted and utilised as part of drought preparedness.**

### 8.2 New Drought Preparedness and Recovery Concessional Loan Scheme

A new scheme, separate to PIPES, will incorporate added measures for producers to manage and prepare for drought. The scheme’s objective will be to provide low cost, low cash flow impact financial assistance to primary producers to undertake preparedness activities, and to assist with recovery from drought when seasonal conditions improve.

This proposed new scheme could be delivered by QRIDA under its core funding arrangements at no additional cost to government. An initial annual lending cap of \$20 million is suggested, with loans to be funded from borrowings under the State Borrowing Program. The rationale for this approach is:

- PIPES is a productivity/development focused scheme, and the proposed measures aimed at drought response do not align well with this theme.
- A different interest rate and repayment regime are proposed for the new scheme to increase its effectiveness, which are inconsistent with existing programs under PIPES.

The proposed scheme will complement existing PIPES and Commonwealth concessional loan measures by providing tailored finance for drought recovery purposes that does not require a producer to be carrying already substantial levels of debt.



## Recommendation

**17. The Queensland Government, through QRIDA, provide loans of up to \$250 000 for drought preparedness activities and replanting and restocking costs. Eligibility for these loans would be linked to an individual business risk management plan. Drought preparedness measures may include, but not be limited to:**

- a. storage and infrastructure for fodder, including molasses, to allow forward contracting**
- b. water infrastructure and reticulation, including additional water license acquisition**
- c. alternative power infrastructure and new generation technology.**

**Repayment terms to include a repayment free period of up to two years and an interest rate regime based on the five- or 10-year Queensland Treasury Corporation fixed interest rates to provide producers with certainty. The resources be made available to QRIDA to actively promote this scheme for drought preparedness as part of an agricultural business's risk management.**

## 8.3 Agriculture insurance

The Panel notes that there are currently a number of options and projects being undertaken both at a state and federal level regarding agriculture insurance. It should be noted that agriculture insurance is one tool in a suite of other risk management tools utilised within the agricultural sector.

The Queensland Government has committed to work with industry to investigate the feasibility of abolishing stamp duty on agriculture insurance products, and reducing the reliance of primary producers on government assistance for climate risks such as drought and natural disasters. The Panel understands that KPMG has been engaged to consider this, with its report due to government by mid-2019.

The Queensland Government also has several existing programs that support the development of agriculture insurance options. Through its Crop Insurance Research Grants program, grants of up to \$100 000 are available to groups to conduct research that will support the development and uptake of risk management products. Examples of these products include crop insurance through e-collection and aggregation of production data.

The \$21 million Drought and Climate Adaptation Program also includes research on risk management products, such as the use of insurance or index products.

### Panel comment

**As this activity around agriculture insurance is in its infancy, it is not possible to provide detailed commentary at this point. The need for cost-effective risk management tools, including insurance products that acknowledge the potential impacts of climate variability and events, is very important as part of a future drought response. It should be noted that there needs to be a move away from the definition, 'multi-peril crop insurance', to a more holistic term acknowledging the diversity of agricultural businesses and their risks.**

## 8.4 Agricultural business risk management

At the very first regional forum in Dalby, the first participant to speak at this forum indicated that **all** primary producers should have a 'drought management plan'. This theme was a feature of a number of the subsequent forums, albeit with different titles. From this point on, the Panel started further discussions with forum participants questioning the need for an individual business risk management plan that would cover all aspects of agricultural risks, not just drought.

A simple definition for risk management is the culture, processes and structures that are directed towards taking advantage of potential opportunities while managing potential adverse effects. This

can be readily applied to agriculture, and in many cases, primary producers have a process for dealing with risk, but it is not well structured or articulated.

As the evolution of agriculture towards more sophisticated business models gathers momentum, the management of risk in all its forms becomes more critical. The Panel believes that individual agricultural businesses should transition towards developing a business risk management plan to enable them to identify different production areas (production classes) within their farm property and their region, and to assess the risk (risk classes) of different management strategies.

The role for the Queensland Government in this area is to ensure the continuation of programs such as DCAP to develop tools and instruments that assist primary producers and their advisors manage their risk. The Queensland Government should also work collaboratively with the federal government, industry bodies and other agencies to enhance programs developing tools in this field.

It is highly desirable that the Queensland Government encourages and supports each primary producer to develop an individual risk management plan than incorporates the use of these tools and instruments to manage their long-term sustainability.

### **Recommendation**

- 18. The Queensland Government actively promote and, importantly, provide financial support to primary producers and individual agribusinesses to develop individual business risk management plans utilising multiple service providers and accepted models.**

## **8.5 Mulga management/fodder harvesting**

The Panel acknowledged that the issue of the management of mulga has been a vexed and emotional debate.

In areas where mulga is native vegetation, the region relies heavily on access to mulga in its everyday grazing practices. Landholders acknowledge that it is a renewable resource for the region, and is a fodder source that keeps the grazing system productive when other areas are destocked or under extreme grazing pressure and reliant on introduced fodder supplies. With best management practice, the shrub does not die when rolled (the plant is pushed over but not de-rooted), and can be managed as an important regenerative feed stock in the business.

Both in regional meeting forums and direct submissions, it was made clear that minor changes to the current arrangements for the drought management of mulga could assist with the supplementary feeding to ensure the sustainable health of livestock.

Feedback and input indicated that a reinstatement of self-assessment under the *Accepted Development Vegetation Clearing Code: Managing Fodder Harvesting* (the Code) would assist in drought management, as it had been successful and workable in the past.

The Panel considered all input, through submissions, public forums and individual landholders, as well as direct discussions with, and the provision of detailed information from, relevant agencies. It was established that certain refinements to the existing regulatory framework would result in improvements in the process for applications, assessment, approvals and outcomes for landholders, while maintaining community expectations on vegetation management.

At the Charleville regional forum, which is in the heartland of the mulga ecosystem, feedback was received regarding a lack of clarity, and at times, misunderstanding of what is allowable under the Code. The Panel is firmly of the view that the details of what **is** acceptable within the Code should be better articulated in a simple fashion to alleviate the miscommunication of the facts. A revision of the information and communication regarding the Code would be one way to alleviate this problem. Any new communication material and guides should have direct input from landholders who have practical experience using the Code to ensure that the details are clearly articulated in simple language.

## **Recommendation**

- 19. Upon the provision of an individual business risk management plan, the application fee for a development application (DA) for mulga management be waived. The term of a DA be a minimum period of 10 years to reflect the appropriate, scientifically proven, and best management practice of mulga.**
- 20. The DNRME simplify the messaging and extension around the *Accepted Development Vegetation Clearing Code: Managing Fodder Harvesting* to clarify and clearly articulate the management of vegetation that predominantly consists of fodder species (eg. mulga) and is necessary to provide fodder for stock.**

## 9 Other relevant matters – tax/debt/all federal

### 9.1 Farm Household Allowance

The Farm Household Allowance (FHA) provides up to three cumulative years of support for eligible farmers and farmers' partners experiencing financial hardship. The allowance is designed to help recipients meet basic household needs. The FHA provides recipients with the opportunity to take steps to improve their circumstances and self-reliance through a Farm Financial Assessment, Financial Improvement Agreement, and additional activity supplements of up to \$4000. There is a net farm asset limit of \$2.55 million.

#### **Panel comment**

**The Panel noted that there is a review into the FHA and encourages submitters to participate in that process.**

### 9.2 Accelerated depreciation to encourage investment in drought preparedness

Accelerated depreciation arrangements for new water and fodder infrastructure and fencing are available to help farmers prepare for drought, assist with their cash flow and encourage on-farm investment. These measures include depreciation of water facilities over one year, depreciation of fodder infrastructure storage over three years, and depreciation of fencing over one year.

#### **Panel comment**

**The Panel received several comments and recommendations about revisiting accelerated depreciation of drought preparedness measures, including fodder supplies and storage, water infrastructure and dam de-silting. Feedback was also provided regarding 100% plus depreciation for certain activities.**

### 9.3 Farm Management Deposits Scheme

The Farm Management Deposits (FMD) Scheme allows eligible primary producers to set aside pre-tax income from primary production in years of high income, which can be drawn on in future years. Primary producers can deposit up to \$800 000 in FMDs, access their FMDs early without losing their claimed taxation concessions if they are affected by drought, and offset the interest costs on primary production business debt (subject to bank agreement).

#### **Panel comment**

**The Panel received significant feedback regarding FMDs to the point where this was probably the most discussed issue throughout the review. As this is a federal government initiative, the Panel is unable to make binding recommendations. The Panel suggests that FMDs be made available to family trusts (the only corporate entity allowed), and that long-term consideration be given to the development of rules regarding timeliness of drawdown, and the utilisation of these funds for their intended purpose. The Panel is of the view that FMDs should be retained and enhanced, and primary producers should include a suitable FMD strategy in their business risk management plan.**

### 9.4 Income tax averaging

Income tax averaging enables farmers to even out their high and low income years and the tax payable over a maximum of five years, ensuring that they do not pay more tax over a number of years than taxpayers on comparable but steady incomes. Recognising that business circumstances change over time, farmers will be able to resume income tax averaging 10 years after they opted out.

**Panel comment**

**The Panel did not receive any feedback on this issue.**

## **9.5 Regional Investment Corporation**

The Regional Investment Corporation will deliver \$2 billion in Commonwealth farm business concessional loans, and the \$2 billion National Water Infrastructure Loan Facility.

**Panel comment**

**An apparent lack of awareness within Queensland would indicate that the Regional Investment Corporation should do more to promote its existence, functions and processes.**

## **Appendix 1 Terms of Reference**

### **Queensland Drought Assistance**

In 2017, the Palaszczuk Government made an election commitment to 'Maintain DRAS and work with industry to develop permanent assistance arrangements, incorporating recommendations of the DRAS Report of the Agriculture and Environment Committee'.

Queensland provides a whole-of-government response to drought through its Drought Assistance Package. In the 2018–19 financial year, the package has access to funding of up to \$34.6 million, which is delivered by several departments to support drought affected communities across the state.

### **National Drought Policy and the Intergovernmental Agreement on National Drought Program Reform**

The objectives of the National Drought Policy are to encourage primary producers and other sections of rural Australia to adopt self-reliant approaches to managing for climate variability, facilitate the maintenance and protection of Australia's agricultural and environmental resources base during periods of climatic stress, and facilitate the early recovery of agricultural and rural industries, consistent with long-term sustainable levels.

The Intergovernmental Agreement (IGA) on National Drought Program Reform between the federal, state and territory governments outlines arrangements for drought preparedness and in-drought assistance. Consistent with all other jurisdictions, this policy has been adopted by Queensland.

Ministers of the Agriculture Ministers' Forum (AGMIN) requested a review of the IGA to see if the IGA should be continued. The review recommended the IGA is extended with only minor amendments. It is expected that a new IGA will be in place by late 2018.

### **Agriculture and Environment Committee Review of the Drought Relief Assistance Scheme**

The former Queensland Parliamentary Agriculture and Environment Committee (AEC) reviewed the Drought Relief Assistance Scheme (DRAS) and released its report in January 2017. DRAS subsidises the freight costs of transporting fodder and water to livestock in drought declared areas, livestock returning from agistment when the drought has ended, and rebates for new water infrastructure for emergency animal welfare reasons.

The AEC made five recommendations, the first four are related to Queensland drought programs and are:

1. The Department of Agriculture and Fisheries (DAF), in consultation with AgForce, the Queensland Farmers' Federation and other stakeholder groups, develops an updated model for drought support to DRAS that is consistent with National Drought Policy, and:
  - (a) encourages farmers to improve self-reliance and resilience to climate variability
  - (b) avoids distortionary impacts among farm businesses, and between farm and non-farm businesses
  - (c) complements federal government programs so that the joint implementation of these measures results in effective policy
  - (d) ensures that farm and rural households can access welfare support payments that are commensurate with assistance afforded to all Australians
  - (e) provides for periodic external reviews.
2. DAF reviews the payment caps for DRAS if it is to be retained after 2018.
3. DAF reviews the transport subsidies for DRAS if it is to be retained after 2018.

4. The Palaszczuk Government expands drought preparedness programs in conjunction with any proposed changes to DRAS transactional subsidies.

## **Independent Panel**

An independent Panel will undertake the review in consultation with an Interdepartmental Committee (IDC) made up of relevant Palaszczuk Government agencies. The Panel will manage consultation processes to ensure appropriate industry consultation and bi-partisan support of proposed drought program reforms.

## **Scope of the review**

In view of the AEC recommendations and the review of the IGA on National Drought Program reform, the Panel for the Drought Program Review should specifically:

### Part A

1. In consultation with the IDC and relevant stakeholders, develop a framework for identifying the options for a new drought model in Queensland including:
  - (a) manage a consultation process with key stakeholders to scope issues
  - (b) undertake appropriate consultation which may include meetings and written submissions to the review.
2. Oversee a program evaluation process in which evaluators (who are to be contracted by DAF) will:
  - (a) determine the criteria and evidence for evaluating the efficiency and effectiveness of drought assistance and related programs and their alignment with the IGA on National Drought Program reform<sup>2</sup>
  - (b) evaluate the efficiency and effectiveness, consistent with the IGA on National Drought Program reform, of current Palaszczuk Government drought assistance programs
  - (c) provide a framework to evaluate the efficiency and effectiveness of current Queensland Government drought declaration and revocation processes
  - (d) provide a framework to evaluate the efficiency and effectiveness of possible new drought programs to encourage a culture of drought preparedness and resilience in Queensland's agricultural sector.

### Part B

3. Consider these options in the context of a new whole-of-government drought model that is consistent with National Drought Policy and the IGA, focused on:
  - (a) encouraging farmers to improve self-reliance and resilience to climate variability
  - (b) avoiding distortionary impacts on farm business decision making, and between farm and non-farm businesses
  - (c) complementing federal government programs
  - (d) providing for periodic external reviews.
4. Provide options on transitional arrangements that are consistent with the IGA, progress the implementation of the new drought model, including possible drought declaration mechanisms,

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<sup>2</sup> For example, Queensland Government Program Evaluation Guidelines and DAF Evaluation Framework

and respond appropriately to drought issues and implied liabilities associated with current programs that may arise during any transitional phase.

The final review report will be considered by the Palaszczuk Government.

The final report is to be provided to the Minister for Agricultural Industry Development and Fisheries by 31 January 2019.

### **Out of the scope of the review**

Drought policy and consideration of new programs which are not consistent with the IGA on National Drought Program Reform.



## Appendix 2

### Online survey questionnaire

#### Drought review survey

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##### Contact details

First name:  Surname:

Email address \*:

LGA:

##### Farm/ business type

What type of business are you?

- ☐ Beef ☐ Sheep ☐ Grain ☐ Cane ☐ Horticulture ☐ Small Business supporting agriculture sector
- ☐ Small Business in a droughted community ☐ Other

Business type (if other)

##### Queensland programs

Which program/s have helped build your capacity?

- ☐ Drought Relief Assistance Scheme
- ☐ Land Rent Subsidies
- ☐ Water Licence Waivers
- ☐ Drought Relief From Electricity Charges
- ☐ Living Away From Home Allowance Drought Supplement
- ☐ Community Drought Support Package
- ☐ Transport-related drought assistance
- ☐ Tackling Regional Adversity through Integrated Care
- ☐ Royal Flying Doctor Service's Drought Well Being Service
- ☐ Primary Industry Productivity Enhancement Scheme
- ☐ Drought and Climate Adaptation Program (DCAP)
- ☐ Farm Business Training

Have there been impediments to you accessing any of these programs?

What tools/information is needed to help your business?

- ☐ In-drought
- ☐ Prepare for drought
- ☐ Recover from drought

Are you aware of the Queensland drought declaration process? If so, does it need changing or refinement?

What types of programs are needed to support you in future droughts?

Are there other comments you would like the panel to be aware of given the current drought situation?

The independent panel (the Panel) is inviting submissions as part of a drought program review (the Review) as set out in the relevant Terms of Reference. By providing a response to this invitation, you acknowledge and consent (for the duration of the Review) to your submission being:

- provided to the Department of Agriculture and Fisheries (DAF), including your personal information (as defined in the *Information Privacy Act 2009*), for the purpose of the Review
- published on [qld.gov.au/droughtreview](http://qld.gov.au/droughtreview) to encourage public consideration, such publication to include your name **(but not your contact details such as your residential or email address or telephone number)**
- used by the Panel to compile a report at the conclusion of the Review, with such report to become publicly available.

Subject to the above, your personal information will not be disclosed to any other parties unless authorised or required by law (e.g. the *Right to Information Act 2009*).

The Panel or DAF may decide that the Submission (or part of it) should be kept confidential.

## Queensland Drought Program – survey theme summary

### Regional locations

Submissions were received from a number of locations, including Western Downs, Murweh, Burdekin, Fraser Coast, Isaac, Brisbane, Longreach, Barcaldine, Arurukun, Banana, Winton, North Burnett, Gold Coast, Balonne, South Burnett, Maranoa, Somerset, Boulia, and Central Highlands.

### Sectors

Sectors from which submissions were received were largely beef, followed by sheep, small businesses in rural communities or associated with agriculture, cane, grain, horticulture, and other interested organisations.

### Programs which were identified to help build capacity

- Drought Relief Assistance Scheme
- Transport-related drought assistance
- Water licence waivers
- Drought Relief From Electricity Charges
- Farm business training
- Land rent subsidies
- Living Away From Home Allowances Scheme Drought Supplement
- Primary Industry Productivity Enhancement Scheme

#### Panel comment

**The Panel acknowledged that the majority of respondents were aware and/or had accessed existing programs.**

### Impediments to accessing programs

- Complexity of applications including the time to collect the correct information and the difficulty in filling out and submitting forms to access programs.
- Drought declarations do not take in all factors of a drought, some areas may not have a 'rainfall deficiency' but still have a water drought.
- Awareness of what is available or if businesses are eligible.
- Online information is very brief, hard to find or difficult to navigate.
- Businesses were excluded from assistance as they have a business in town, other off farm income, and eligibility criteria excluded them. An example was businesses who traded and managed their stock in a way which excluded them from the stringent criteria of DRAS.
- Droughts affect everyone in the community, not just agricultural businesses and programs are not broad enough.

#### Panel comment

**The Panel acknowledges some individuals and businesses are ineligible for assistance programs due to various factors, including off farm income. The Panel notes that these are the current criteria and is not recommending any action on this matter.**

### What information is needed to help your business?

#### In drought

- Alignment between all government authorities and agencies.
- One stop information webpage where people can go and just type in the kind of business they have/want and all the relevant info comes up in one hit.
- Funding to de-silting of existing dry dams
- Funding the formation of weed busting teams.

- Western Queensland submissions outlined the businesses could plan for three or four years of dry times, however beyond that it gets very difficult to plan.
- Businesses were looking at more information about assistance available when dry times continue to bite.

**Panel comment**

**The Panel acknowledges the feedback and will utilise aspects of this feedback to inform recommendations.**

**Prepare for drought/recover from drought**

- An environment that supports profitable business allows business and people to build in resilience, such as Farm Management Deposits.
- Information to assist producers to prepare their enterprises so that they are in the best possible position — financially, emotionally and socially — when effected by drought.
- Structured process of planning and incremental capacity building.
- Financial, climate advice, specific scientific research in relation to improving farming practices, looking after our environment, and health advice.
- To enable resilience, a number of businesses called for low interest subsidy/loan for setting up irrigation to drought-proof property by growing hay or water/fodder storage or other on farm infrastructure.
- Accurate long range forecasts of weather, more weather conditions and long range forecasts.
- Better long-term infrastructure to reduce the costs of production including roads and IT infrastructure and funds for water storage.

**Panel comment**

**The Panel notes key themes for future drought resilience and preparedness.**

**Are you aware of the Queensland drought declaration process? If so, does it need changing or refinement?**

- Seven submitters were not aware of the process, the remaining submissions made particular issues clear. All others were aware, only two outlined that the process should not change.
- A clear message was that the Qld drought declaration process needs to take into account the different impacts felt by all rural industries and communities.
- Framework and trigger points to monitor and assess the different industries and community needs when assessing possible drought declarations.
- The drought declaration and IDP declaration process is archaic, lacks consistency and is not equitable. 'Being drought declared has become a political and media event.'
- On-ground monitoring and involvement from local communities is required in conjunction with BoM data, rain doesn't always produce pasture.

**Panel comment**

**The Panel noted the complexity and the need for reforming the process.**

**What types of programs are needed to support you in future droughts?**

- More dams and irrigation projects in suitable areas to enable small scale developments that would assist farmers to prepare. Enable local fodder production.
- Funding for the local water resource management authority such as the Lower Burdekin Water to help reduce charges.
- Assistance for fodder infrastructure to develop resilience.
- Rural Development Bank to remove threat of foreclosure from banks and exposure to interest rate increases.

- Funding for dam de-silting as cash reserves are required for feeding livestock and managing fixed costs when there is no 'end' date to the drought.
- Grants and/or government funded low interest rate forms of finance to replace or modernise on-farm irrigation infrastructure, improving farm layout to gain irrigation efficiencies as well as encourage take up of technology/automated irrigation systems.
- Consistent funding for mental health and physical wellbeing support.
- Government assistance for fixed costs for all impacted by drought (including small businesses in drought-impacted communities), for example, rates, electricity and vehicle registration.
- Better control over drought assistance donations.
- Programs to teach people about diversification and improve business resilience.
- Tax incentives to improve resilience, for example, allowing farmers a tax deduction for farm loan principal repayments. The current tax system does not encourage debt reduction.
- Allow graziers in the mulga areas to access this fodder to feed stock. Scientific research to look at what are the best and most sustainable ways to set mulga country as a fodder reserve.
- Funding for exclusion fencing in key regional areas.
- Promote the importance of planning for climate risks natural disasters and droughts.
- Government store large quantities of feed in regional areas that producers can draw on.
- Living away from Home Allowances Scheme Drought Supplement to become part of the Drought Assistance Package.
- Freight subsidy to be considered in the context of modern farm businesses, for example, extending DRAS to farmers returning breeding stock to their own property or those who trade.
- Interests rates subsidies.

#### **Panel comment**

**The Panel notes the range of suggestions and where appropriate have made specific note and possible recommendations to address a number of these options.**

#### **Other comments**

- Variable world sugar prices coupled with increasing farm management/growing costs and enormous electricity charges have eroded farm viability.
- Coastal production systems such as the Lower Burdekin sugar industry are highly vulnerable to prolonged drought conditions.
- It is important to recognise long-term impacts of uncertainty and distress in impacted communities.
- When given subsidies, the supplier or distributor just puts the price up to take advantage of the subsidy.
- Better roads, rail, water infrastructure, and water supply for productivity all year round.
- Reduce red tape for the agriculture sector.
- Those who diversify income are then penalised by not being eligible for subsidies or loans.
- More could be done to make towns more resilient with diversification achieved through water and infrastructure development in a nation building program.
- Decentralise services into regional areas.
- Education and culture change for the agriculture sector are required for long-term change.
- Highlight those businesses who are handling the drought well and why. Strategies which could be used across the industry.
- Current measures do not target the root cause of financial hardship faced by farmers in drought which is the lack of borrowing power to see a drought through.
- Improve access to laneways, stock routes, national parks, roadways and road reserves.
- Land rental should be waived entirely once drought declarations go past three years.
- Farm Management Deposits should be increased to allow for five years of annual operating costs to be put aside for drought management.

**Panel comment**

**The Panel notes these themes, and acknowledges a number of these are outside the scope of this report.**

## Appendix 3 Online submitters

- [Agforce](#)
- [Anne Leahy](#)
- [Anonymous](#)
- [Ben Chandler](#)
- [Beth King](#)
- [Boyd Webb](#)
- [Bruce Alchin](#)
- [Burnett Inland Economic Development Organisation](#)
- [C & S Nason](#)
- [C & S Nason](#)
- [Caitlin Vayro](#)
- [Canegrowers Burdekin](#)
- [Central Highlands Regional Council](#)
- [Colleen Jackson-Pascoe](#)
- [David Mims](#)
- [Don Perkins](#)
- [Dylan Hughes](#)
- [Elena Garcia](#)
- [GA Warre](#)
- [Genevieve Hawkins](#)
- [Geoffrey Niethe](#)
- [Gil Schmidt](#)
- [Glenda Gray](#)
- [Ian & Susan McRoberts](#)
- [ICPA Qld](#)
- [James King](#)
- [Jess McKinlay](#)
- [John Hall](#)
- [John Hine and Associates Pty Ltd](#)
- [John te Kloot](#)
- [Kalamia Cane Growers Organisation Limited](#)
- [Karen McLennan](#)
- [Karen McLennan](#)
- [Karen McLennan](#)
- [Karen Russell](#)
- [Kate Bradshaw](#)
- [Keith Richardson](#)
- [Kellie Wilkie](#)
- [Kelsey Neilson](#)
- [Ken Syme](#)
- [Kylie Slack](#)
- [Lachlan Miller](#)
- [Lisa Hutchinson](#)
- [Lisa Pix](#)
- [Michael Caspanello](#)
- [Michelle Finger](#)
- [Mike Moller](#)
- [Paul Slack](#)
- [Property Rights Australia](#)
- [Queensland Alliance for Mental Health](#)
- [Queensland Farmers' Federation](#)
- [Quilpie Shire Council](#)
- [QWaLC \(Queensland Water & Land Carers\) Community Landcare Coordinators Program](#)
- [QWaLC \(Queensland Water & Land Carers\)](#)
- [Remote Area Panning and Development Board](#)
- [Rob Atkinson](#)
- [Rob Moore](#)
- [Robert Harris](#)
- [Robert Rennick](#)
- [Rowan Douglas](#)
- [Sherilee Hoch](#)
- [Stuart Hill](#)
- [Torie Harrison](#)
- [Will Barrett](#)

## Appendix 4 National Drought Agreement

# National Drought Agreement

An agreement between:

- the Commonwealth of Australia and
- the states and territories, being:
  - New South Wales
  - Victoria
  - Queensland
  - Western Australia
  - South Australia
  - Tasmania
  - the Australian Capital Territory
  - the Northern Territory.

### Context

Droughts are part of Australia's landscape and managing drought is a feature of Australian agriculture. Australian farming businesses and farming communities are adopting increasingly sophisticated and effective strategies to deal with drought and respond to climate change and variability.

This agreement continues to build on drought policy reform including moving away from Exceptional Circumstances arrangements and associated lines on maps to qualify for drought support.

It prioritises objectives and outcomes that enhance long-term preparedness, sustainability, resilience and risk management for farming businesses and farming communities in Australia.

It describes the way Commonwealth, state and territory governments will cooperate and collaborate on drought-related issues and outlines responsibilities when supporting farming businesses, farming families and farming communities.

The agreement provides a framework to enable consistency of drought policy and reform objectives and complementarity of drought preparedness, response and recovery programs.

This agreement also complements other measures taken by jurisdictions to promote adaptation to climate change.



## Preliminaries

1. This agreement replaces the 2013 Intergovernmental Agreement on National Drought Program Reform.
2. This agreement is between the Commonwealth of Australia (the Commonwealth) and the states and territories. Where the terms 'jurisdictions' or 'parties' are used these refer to the Commonwealth, states and territories.
3. In entering this agreement, the jurisdictions recognise their common interest in continuing to reform drought-related programs and the need to work together to help farming businesses, farming families and farming communities manage and prepare for future challenges and risks in a variable and changing climate.
4. This agreement will commence as soon as the Commonwealth and one other state or territory signs this agreement and is scheduled to expire on 30 June 2024.
5. This agreement will also apply to any other drought-related programs introduced by jurisdictions within the term of this agreement. .

## Objectives

6. This agreement is intended to:
  - a. provide a framework for jurisdictions to ensure:
    - i. collaboration in drought preparedness, response and recovery;
    - ii. consistency of drought policy and reform objectives;
    - iii. complementarity of drought preparedness, response and recovery programs; and
    - iv. efforts are not unnecessarily duplicated or critical issues overlooked.
  - b. enable farming businesses, farming families and farming communities to manage and prepare for drought, climate change and variability, by supporting their long-term sustainability and resilience, the adoption of robust risk management practices and sound natural resource management.
  - c. increase the adoption by farming businesses and the farming sector of self-reliant, sustainable and resilient approaches to manage business risks, through improved skills and business decision-making, and the adoption of new knowledge and tools from research and development.
  - d. ensure services to mitigate the effects of drought on health and wellbeing are accessible to farming families and farming communities.
  - e. ensure support measures are accessible and clear information is available for those in need, in collaboration with relevant stakeholders.
  - f. provide decision makers, industry and the public with access to common sources of quality, drought-related data to improve policy and business decision making.

## Outcomes

7. This agreement will facilitate achievement of these outcomes:
  - a. farming businesses have an improved capability to manage business risks and the tools to implement sustainable and resilient risk management practices.
  - b. farming businesses, industry service providers, agri-finance, community organisations and local government are partners of government and support rural communities to prepare for, and respond to, drought.
  - c. farming businesses, farming families and farming communities are supported in times of hardship and have an increased understanding of, and access to, available support.

- d. roles and responsibilities of jurisdictions in responding to drought:
  - i. are clear;
  - ii. promote consistency of drought policy and reform objectives;
  - iii. complement drought preparedness, response and recovery programs; and
  - iv. reduce gaps and unnecessary duplication.
- e. improved sharing, and quality, of common sources of data and information across jurisdictions to strengthen policy and business decision making.
- f. future programs related to the objectives of this agreement are consistent with the principles for reform at Attachment A.
- g. future programs providing temporary in-drought support are consistent with the principles and processes at Attachment B.

## Roles and responsibilities

8. To realise the objectives and outcomes in this agreement, each party has specific roles and responsibilities, as outlined below.

### *Role of the Commonwealth*

9. The Commonwealth is responsible for:
- a. funding and delivering a time-limited household support payment based on individual and farming family needs, including:
    - i. reciprocal obligations that encourage resilience; and
    - ii. case management to support reciprocal obligation requirements.
  - b. establishing and operating a Future Drought Fund, to enhance drought preparedness and resilience.
  - c. providing continued access to incentives that support farming businesses' risk management, including taxation concessions, the Farm Management Deposit Scheme and concessional loans.
  - d. improving and maintaining national, regional and local predictive and real time drought indicator information, drawing on the Bureau of Meteorology's (BOM) observation network and forecasting.

### *Role of the states and territories*

10. Each state or territory is responsible for:
- a. encouraging the delivery and uptake of capability-building programs to improve farming businesses' skills and decision making that are flexible and tailored to farming businesses' needs.
  - b. ensuring animal welfare and land management issues are managed during drought.

### *Shared roles and responsibilities*

11. The Commonwealth, states and territories are responsible for:
- a. developing, designing, implementing and funding drought preparedness, response and recovery programs that are consistent with this agreement, encourage robust risk management and seek to avoid market distortions.
  - b. developing capability-building programs, tools and technologies to inform and improve farming businesses' decision-making and promote resilience.
  - c. provision of rural financial counselling services.
  - d. support to mitigate the effects of drought on the health and wellbeing of farming families and farming communities.

- e. sharing, coordinating, collaborating and communicating information on drought preparedness, response and recovery policies and programs being developed and implemented.
- f. ensuring information on assistance for drought preparedness, response and recovery is accessible and readily available.
- g. ensuring consistency of drought policy and reform objectives and complementarity of drought preparedness, response and recovery programs.
- h. contributing to the development of quality, publicly available data, including but not limited to:
  - i. weather, seasonal and climate forecasts;
  - ii. regional and local predictive real time drought indicator information;
  - iii. a consistent early warning system for drought; and
  - iv. an improved understanding of fodder crops and holdings across Australia.

## Monitoring, evaluation and reporting

12. The parties will report against their roles and responsibilities and performance of drought related programs annually to Agriculture Senior Officials Committee (AGSOC), and as agreed by all parties.
13. The AGSOC members, or their representatives, will discuss this agreement annually, or as agreed by all parties, to ensure its effective and efficient implementation and the execution of roles and responsibilities.
14. AGSOC will report annually to the Agriculture Ministers' Forum (AGMIN) and as required, on progress in implementing this agreement.
15. The parties will develop a progress reporting framework to be agreed by AGMIN. Each year AGMIN will publicly release a report on progress implementing this agreement.

## Governance arrangements

### *Implementation*

16. AGMIN will oversee and report annually to the Council of Australian Governments (COAG), and as required, on progress on implementing this agreement.

### *Enforceability*

17. The parties do not intend any of the provisions of this agreement to be legally enforceable. However, that does not lessen the parties' commitment to this agreement.

### *Review*

18. This agreement will be reviewed approximately two years before expiry with AGMIN responsible for determining the terms of reference, timing and methodology for the review.

### *Variation*

19. This agreement may be amended or extended at any time by written agreement between all parties.
20. Any party may terminate its participation in this agreement at any time by notifying all other parties in writing.

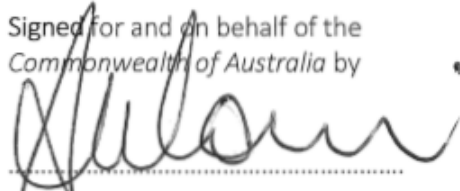
### *Dispute resolution*

21. Any party may give notice of a dispute to any or all other parties.
22. Officials of relevant parties will attempt to resolve any dispute in the first instance.
23. If officials cannot resolve a dispute, it may be escalated to relevant ministers and if necessary to COAG.

The parties have confirmed their commitment to this agreement:

The parties have confirmed their commitment to this agreement:

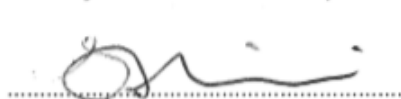
Signed for and on behalf of the  
Commonwealth of Australia by



The Honourable Scott Morrison MP  
Prime Minister

12 December 2018

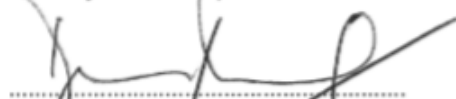
Signed for and on behalf of the  
State of New South Wales by



The Honourable Gladys Berejiklian MP  
Premier of New South Wales

12 December 2018

Signed for and on behalf of the  
State of Victoria by



The Honourable Daniel Andrews MP  
Premier of Victoria

12 December 2018

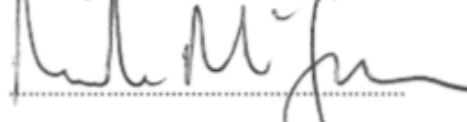
Signed for and on behalf of the  
State of Queensland by



The Honourable Anastacia Palaszczuk MP  
Premier of Queensland

12 December 2018

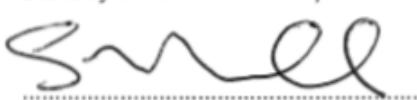
Signed for and on behalf of the  
State of Western Australia by



The Honourable Mark McGowan MP  
Premier of Western Australia

12 December 2018

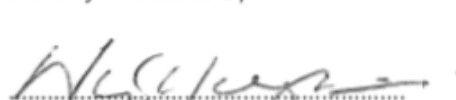
Signed for and on behalf of the  
State of South Australia by



The Honourable Steven Marshall MP  
Premier of South Australia

12 December 2018

Signed for and on behalf of the  
State of Tasmania by



The Honourable Will Hodgman MP  
Premier of Tasmania

12 December 2018

Signed for and on behalf of the  
Australian Capital Territory by



Andrew Barr MLA  
Chief Minister of the Australian Capital Territory

12 December 2018

Signed for and on behalf of the  
Northern Territory by



The Honourable Michael Gunner MLA  
Chief Minister of the Northern Territory

12 December 2018

## Attachment A: Principles for reform

The principles underpinning this agreement are:

1. government policies and programs should support farming businesses, farming families and farming communities to prepare for drought and enhance their longterm sustainability and resilience.
2. drought is just one of a number of hardships that can adversely impact farming businesses.
3. programs and assessments for eligibility for programs need to be streamlined to remove red tape and deliver timely assistance to farming businesses, farming families and farming communities.
4. recognition of the important role of farming businesses as the nation's food and fibre producers and important export revenue earners.
5. future farm family welfare assistance should require a level of mutual responsibility.
6. for access to the income support system, farming families should have the same access rights as the wider community, acknowledging that a different and temporary assets test would apply.
7. policies and programs should assist farming businesses plan and prepare for the future.
8. support will be based on a willingness by farming businesses to prepare for the impacts of increased climate variability and climate change.
9. policies and programs should recognise the important role of farming businesses in maintaining strong and cohesive rural communities.
10. policies and programs should recognise the importance of maintaining and supporting the natural resource base during drought and climate change.
11. there should no longer be Exceptional Circumstances declarations and associated lines on maps.

## Attachment B: Principles and processes for in-drought support

### *Principles*

The principles and processes listed in this attachment have been identified as criteria to guide the provision of in-drought support.

Where a jurisdiction(s) decides to implement an in-drought support measure, the measure should:

1. be consistent with principles for reform and complementary to measures already in place.
2. occur where there is a clear role for government and deliver a net public benefit.
3. encourage robust risk management and seek to avoid creating market distortions.
4. address recognised social welfare needs.
5. encourage good farm business decision-making and facilitate adjustment in the agriculture sector.
6. enable links with other measures or between service providers.
7. avoid government being positioned as the business 'lender of last resort'.

8. recognise the importance of maintaining the natural resource base and safeguarding animal welfare.

*Process*

1. In-drought support should be provided through a phased approach to allow governments to tailor the type or level of support provided as conditions change. The phases are:
  - a. measures available at all times
  - b. existing measures increased to address growing demand
  - c. measures introduced to address identified needs.

## Appendix 5 Living Away from Home Allowances Guidelines

### USE THIS INFORMATION WHEN COMPLETING A LAFHAS APPLICATION FORM

For financial assistance available to parents from the Department of Education under the Living Away from Home Allowances Scheme (LAFHAS), the following conditions apply in addition to any other specific conditions mentioned:

1. The student must board away from home to attend a government school or accredited non- state school that is eligible for government funding and must study an approved course.
2. Parents/carers or guardians of the student must reside in Queensland.
3. The student's conduct, progress and attendance must be satisfactory.
4. LAFHAS applicants must complete a new application each year on the approved form.

### Information in this guide

## What is the Living Away from Home Allowances Scheme (LAFHAS)?

The Queensland Government, Department of Education, provides financial assistance to eligible Queensland families, who do not have reasonable daily access to a Queensland Government school with the relevant school year level.

### 1. Who can apply for LAFHAS benefits?

Parents or guardians who believe they are geographically isolated from local Queensland Government schools with the required year level for a student and who:

- (a) reside in Queensland;
- (b) have students enrolled in Years 1 to 12 at approved schools in Queensland or New South Wales (primary, secondary, special or agricultural colleges); and
- (c) have students who are geographically isolated and board away from home to attend approved schools with the required year levels.

### 2. What are the eligibility criteria?

Eligibility in terms of geographic isolation is based on meeting a distance criteria from the family home to the nearest government school with the appropriate year level. **Residential distance criteria**

Students meet residential distance criteria if their home is, by the shortest trafficable route:

- at least 16 km from the nearest Queensland Government state school with required year level and at least 4.5 km from the nearest approved school or public transport service safe pickup point.
- OR
- if the student's home is less than 4.5 km from the nearest approved transport service pickup point, the school must be at least 56 km away via available transport service (from home to school).

Distance and travelling times refer to any Queensland Government school within the abovementioned distance limits, irrespective of the distance to the school actually attended.

Distances stated on an application form may be subject to verification by the Department of Transport and Main Roads and the Department of Education and could be physically measured by the Department of Transport and Main Roads officers.

Where an applicant is contacted and advised that a physical distance check is scheduled and the applicant chooses not to be available at the time, the distances provided by the Department of Transport and Main Roads are official and will determine eligibility.

Distance checks may be performed and/or reviewed randomly at any time throughout the year. Distances previously considered eligible may subsequently be identified as ineligible.

The following measuring points are used when distances are measured:

- **home:** taken from where family vehicles are usually garaged (provided this is within a reasonable proximity to residence)
- **school:** closest access point that a school transport service could safely stop to collect students as determined by Department of Transport and Main Roads
- **shortest trafficable route:** can be a combination of public and private roads (not necessarily all-weather roads).

### 3. How do family circumstances affect eligibility?

Personal family circumstances are unable to be considered when determining eligibility for financial assistance under the LAFHAS.



### *Parental custody*

If parents are divorced or separated the following guidelines define the parent whose address will determine eligibility for assistance:

- if the student normally lives with one parent, that parent's address is used
- if the student lives at different times with each parent, the following factors are taken into account in determining which address is used:
  - if one parent is officially recognised as having care of the student e.g. through grant of custody or through removal of custody from, or grant of a maintenance order against the other parent, that parent's address is used, or
  - if neither parent has sole responsibility for care, the address of the parent who has principal financial responsibility for the children (e.g. by paying tuition fees), is used
- if there is no legal recognition of who has care of the student, the following factors should be considered in determining the address that is used:
  - where student normally lives and has lived for the last twelve months
  - where student lives during school holidays
  - who is responsible for the care of the student e.g. providing food and shelter
  - who contributes regularly and significantly to student's living and education costs (this should not be limited to tuition costs), and/or
  - who holds a Medicare card or receives other allowances in respect of the student.

### *Single parent families*

Single parent circumstances are unable to be considered as a means of accessing financial assistance under the LAFHAS unless distance eligibility can be determined or the occupation of the parent can be identified as a genuine itinerant occupation.

While the Australian Government, Assistance for Isolated Children (AIC) Scheme may provide boarding assistance in instances where a single parent exists, AIC policy covers a wider scope for consideration of Special Circumstances.

#### *4. Are special circumstances considered?*

Special consideration may be given to applicants who do not fully meet the residential distance criteria, but who could still be regarded as isolated, for example:

- (a) impassable roads due to weather conditions
- (b) lifestyles are itinerant because of employment
- (c) other special circumstances that will be reviewed on a case by case basis for example, but not limited to medical conditions, domestic and family violence and excess travel.

Applicants who apply under special circumstances must provide detailed supporting documentation and be assessed under relevant policy guidelines before eligibility can be determined.

Special consideration may be given to applicants who do not fully meet the residential criteria, but where there are special or compassionate circumstances that place a student at risk of not succeeding or achieving learning outcomes to the best of their ability.

These special circumstances may include being exposed to factors within or outside the student's home that would place their physical, emotional, mental health and wellbeing at risk and might include domestic and family violence, other forms of harm or abuse, drug and alcohol misuse, homelessness or mental health issues.

Further information from the department may be sought from applicants to assist with making appropriate decisions.

## 5. Are there any approved bypassable government schools in 2019?

School	Year levels	Bypassable year levels
Alpha State School	PY-10	7 to 10
Aramac State School	PY-10	7 to 10
Aurukun State School	OP-12	7 to 12
Blackall State School	PY-12	11 & 12 only
Bwgcolman Community School	OP-12	7 to 12
Cunnamulla P-12 State School	OP-12	11 & 12 only
Dirranbandi P-10 State School	PY-10	7 to 10
Doomadgee State School	OP-10	7 to 10
Hughenden State School	PY-12	11 & 12 only
Injune P-10 State School	PY-10	7 to 10
Kowanyama State School	OP-10	7 to 10
Lockhart State School	OP-12	7 to 12
Mornington Island State School	OP-10	7 to 10
Normanton State School	PY-10	7 to 10
Quilpie State College	OP-10	7 to 10
Richmond State School	PY-10	7 to 10
Surat State School	PY-10	7 to 10
Tambo State School	OP-10	7 to 10
Winton State School	PY-12	7 to 12

For the purposes of the LAFHAS, the Department of Education recognises a number of secondary school facilities in isolated areas of the State that have limited programs.

Students who live near the listed government schools and are in the nominated year levels, may attract assistance under the LAFHAS and the Australian Government's Assistance for Isolated Children (AIC) Scheme, ABSTUDY Scheme and Youth Allowance.

## 6. What benefits are available?

The LAFHAS has 4 components:

- Remote Area Tuition Allowance
- Remote Area Travel Allowance
- Remote Area Allowance, and
- Remote Area Disability Supplement.

No financial means test is applied to these allowances. Payments do not attract GST.

### Remote Area Tuition Allowance

*Remote Area Tuition Allowance* is paid for students who board at approved non-state primary or secondary schools and whose parents pay fees for tuition at the school.

Students living in the family's second home, boarding privately, or in home stay arrangements, while attending non-state schools as day students are not eligible for this allowance.

Students who board in a boarding school but attend a different non-state school are not eligible for *Remote Area Tuition Allowance* unless an agreement between the boarding school and the non-state school has been approved by the Department of Education.

This allowance is paid twice a year (by semester) directly to the school. For information on the amount of allowance payable, go to the department's website <https://www.qld.gov.au/education/schools/financial/ruralremote/pages/lafhas>

School fee increases during the year do not attract increased benefits.

Scholarships: School tuition fee scholarships will not be taken into account when determining benefit levels for the *Remote Area Tuition Allowance*.

## Remote Area Travel Allowance

Assistance is available to offset travelling expenses, provided the distance travelled from the primary family home to the boarding location is at least 50 km.

This allowance is paid twice a year (by semester) directly into the applicant's financial institution accounts as nominated on the application form and is based on the distance from the family home to the boarding location via the shortest practicable and trafficable route by road (and sea if necessary).

For information on the amount of allowance payable, go to the department's website <https://www.qld.gov.au/education/schools/financial/ruralremote/pages/lafhas>

Students attending one of the Queensland campuses of the Queensland Agricultural Training College (QATC) are not eligible for travel assistance.

## Remote Area Allowance

Assistance is available to eligible students attending one of the Queensland campuses of the Queensland Agricultural Training College (QATC) to undertake agricultural courses equivalent to and in lieu of Years 11 and 12.

Assistance may also be available to eligible students attending a campus of a Queensland State High School and confirmed as undertaking a QATC agricultural course in lieu of Years 11 and 12.

This allowance is paid twice a year (by semester) directly into the applicant's financial institution accounts as nominated on the application form. For information on the amount of allowance payable, go to the department's website <https://www.qld.gov.au/education/schools/financial/ruralremote/pages/lafhas>

Students must not have previously completed Years 11 and 12 and must not have daily access to a Queensland Government secondary school with Years 11 and 12.

Students eligible for *Remote Area Allowance* do not qualify for *Remote Area Tuition* or *Remote Area Travel* Allowances.

## Remote Area Disability Supplement (RADS)

The *Remote Area Disability Supplement* is provided in addition to any benefits payable under the *Remote Area Tuition* and *Remote Area Travel* Allowances. Benefits compensate extra costs associated with educating students with disabilities.

Benefits are paid directly into the applicant's financial institution accounts as nominated on the application form.

Eligible students:

- are identified through the Department of Education, Education Adjustment Program (EAP)
- do not have daily access to Queensland Government schools in terms of residential distance eligibility criteria

- live away from home to attend schools
- demonstrate, through documentary evidence, that travel, tuition and boarding accommodation costs are significantly greater than those of students without disabilities and are in excess of total assistance available from all government agencies. Additional tuition fee costs can only be considered if the student is a full-time boarding student at the school.

Benefits are payable on evidence of actual costs submitted during school year, based on a percentage up to a maximum.

An applicant applying for assistance under this component should contact the department for further information on freecall 1800 248 997.

#### 7. How are benefits paid?

All payments under the LAFHAS are made by Electronic Funds Transfer (EFT).

Benefits are paid in two semester instalments:

Semester 1 period: 29 January – 28 June 2019

Semester 2 period: 15 July – 13 December 2019

*Remote Area Tuition Allowance* is paid to the school in which the student boards provided the school is an approved boarding school.

*Remote Area Travel Allowance*, *Remote Area Allowance* and *RADS* benefits, are paid to the financial institution nominated by the applicant, on the annual application form.

#### 8. What if family or student circumstances change?

Following lodgement of an application form, School Financial Resourcing (1800 248 997) must be advised immediately of any subsequent change in circumstances e.g. changes to:

- boarding arrangements
- family residential address
- school attended
- personal financial institution account details
- local school transport service.

Changes of circumstances usually require reassessment of applications and entitlements already paid. Benefits payable are determined by the date of change.

Students commencing or leaving school part-way through the school year receive pro rata entitlements based on the actual number of school days attended.

#### 9. What happens if overpayments occur?

Overpayments that may result from a change in family or student circumstances are recoverable to the date that an applicant is found to be ineligible.

An applicant is responsible for ensuring that distances quoted on the application form are accurate.

Where appropriate the local Department of Transport and Main Roads office should be contacted to confirm if any distances have changed as a result of roadwork or bus route modifications.

#### 10. Which circumstances DO NOT attract assistance under the LAFHAS?

- Students who live at home and travel to school daily.
- Students who live with a parent(s) in a second home which is owned, leased or rented by their parents for education purposes and which is close to Queensland Government schools with required year levels, or students who are boarding at and/or attending an education facility in the same town as a second home arrangement established for education purposes.

- (c) Subjects or courses students wish to undertake that are not available at the local government school, or other family choices.
- (d) Students in receipt of the Australian Government, ABSTUDY allowance.
- (e) Students being educated from home under a Distance Education program.

## 11. Application forms

Application forms must be completed annually.

Benefits are not available retrospectively for previous years. **How to access an application form**

- Online application form: complete and submit electronically.
- Online static application form (.pdf): print, manually complete and return via post to the address indicated on the application form or via facsimile on 3034 5890.
- Paper application package: available by contacting School Financial Resourcing, Department of Education on freecall 1800 248 997.

Online and static applications are located on the department's website

<https://www.qld.gov.au/education/schools/financial/ruralremote/pages/lafhas>

## 12. Lodgement of application forms

Queensland Government allowance for secondary students - Textbook and Resource Allowance (TRA)

Parents of students attending approved secondary schools may be eligible to receive a *Textbook and Resource Allowance* once in any calendar year. *Textbook and Resource Allowance* is paid automatically to schools, on behalf of parents, for eligible secondary students.

For information on the amount of allowance payable, go to the department's website

<https://education.qld.gov.au/aboutus/budgets-funding-grants/grants/parents-and-students/textbook-resource-allowance>

## Transport assistance - Department of Transport and Main Roads

For information on the School Transport Assistance Scheme contact your local Department of Transport and Main Roads office. The following types of assistance are available to students who meet eligibility guidelines:

- rail transport
- bus transport assistance
- conveyance allowance
- assistance for isolated students.

**Information on the internet** [www.tmr.qld.gov.au](http://www.tmr.qld.gov.au)

## Transport assistance - Department of Education

### Transport assistance for students with disabilities

Assistance is available to help students with disabilities and high support needs to access the nearest suitable approved special education program that meets their needs.

### Government schools

Contact the principal of the school attended or the relevant Department of Education regional office.

Information on the internet

## **Appendix 6 Drought and Climate Adaptation Program (DCAP)**

### **Drought and Climate Adaptation Program (DCAP) Projects 2017-2022**

#### **DES 1 – The inside edge for graziers to master Qld’s drought prone climate**

Innovative research will be converted into information systems and processes to support Queensland graziers to manage drought and climate challenges more effectively.

DES’s research will give Queensland graziers the “inside edge” to master our drought-prone climate, enabling proactive climate responsive business decisions. This project will yield climate-savvy graziers that will continuously adapt to Queensland’s variable and changing climate.

#### **DES 2 – Do we really know our baseline climate? Using palaeoclimate data to plan and prepare for extreme events and floods in Qld**

The Queensland agriculture sector will be supported in better understanding and preparing for extreme climate events by extending the short instrumental climate record by over 1000 years. Extending the climate record will support Queensland agriculture sector understanding of and preparation for extreme climate events in the future.

The palaeoclimate records used in this research will help provide a larger range of climate risk information leading to more informed strategic decision-making across the agriculture sector.

#### **DES 3 – Enabling drought resilience and adaptation: A program of social research and knowledge support**

Better understanding of the barriers to managing climate risk and preparing for drought will be used to improve information products and tools to support better decision making in the grazing industry.

This applied research project will engage directly with Queensland graziers, extension officers and scientists to identify barriers to drought preparedness.

#### **USQ 4 – Northern Australia Climate Program**

Rainfall forecasts will be improved across northern Australia to help graziers make more informed management decisions. New forecasts will be introduced into grazer networks to allow ease of use and application of the information into management of grazing businesses.

Queensland graziers will be directly supported through improved seasonal climate forecasts, development of information products for grazer decision making and integration of this information into existing and new extension activities.

## **USQ 5 – Producing enhanced crop insurance systems and associated financial decision support tools – Phase 2**

Improving climate risk insurance products for agriculture will support Queensland primary producers to independently manage climate risk more effectively.

Recommendations will be developed for agricultural industries and the insurance industry on how more affordable insurance products and viable markets for agricultural insurance products can be established and maintained for Queensland rural industries.

## **DAF 6 – Delivering integrated production and economic knowledge and skills to improve drought management outcomes for grazing systems**

The economic impacts of grazing management decisions will be analysed to improve the capacity of businesses to manage the productivity and profitability challenges of droughts in Queensland.

The skills and knowledge of managers of Queensland grazing businesses will then be developed and supported to assess the economic implications of on-farm drought management decisions.

## **DAF 7 – Use of BoM multi-week and seasonal forecasts to facilitate improved management decisions in Qld’s vegetable industry**

Improved temperature forecasts will be developed and customised to enhance farm management decision making in the Queensland vegetable industry and improve the capacity of the horticulture industry to manage climate variability and adapt to a changing climate.

## **DAF 8 – GrazingFutures: Promoting a resilient grazing industry**

Supporting western Queensland grazing businesses to prosper and grow based on best management practice, science and industry experience.

Grazing businesses across western Queensland will identify and implement changes on-farm which improve business resilience to drought and climate extremes and deliver enhanced community and economic development outcomes.

## **DAF 9 – Forewarned is forearmed: Equipping farmers and agricultural value chains to proactively manage the impacts of extreme climate events**

Improving and customising forecasts of extreme rainfall and temperature events will be developed to help primary producers to make more informed short and medium term management decisions to improve farm profitability in Queensland’s grazing and sugar industries.



## Appendix 7 Jurisdictional Comparison

	Queensland	Commonwealth	NSW	Victoria	Western Australia	Tasmania	South Australia	ACT	Northern Territory
Income Support	•Nil	•Farm Household Allowance (currently under review) •Farm Management Deposit Scheme	•Nil	•Nil	•Nil	•Nil	•Nil	•Nil	•Nil
Freight (Subsidies	•Drought Relief Assistance Scheme (DRAS) - transport subsidies for fodder and water (50 % up to \$20,000 per year, or up to \$50,000 per year with a drought management plan) •Donated Fodder Transport - covers 100% cost of donated fodder	•Nil	•Animal Welfare Transport Subsidy - 50% of eligible costs •Donated Fodder Transport - covers 100% cost of donated fodder •Drought Transport Subsidy - up to \$20,000 per year for eligible farm business.	•Nil	•Nil	•Nil	•Nil	•Freight Subsidy Scheme (in line with NSW Drought Transport Subsidy)	•Nil
Water Infrastructure rebates	•Emergency water infrastructure rebates (50% up to \$20,000 per year, or up to \$50,000 per year with a drought management plan)	•On farm emergency water infrastructure rebate (25% to a maximum of \$25,000 per year) •Dam desilting scheme (25% to a maximum of \$25,000 per year) delivered by states and territories	•Delivers Federal schemes	•Nil	•Nil	•Nil	•Will deliver Federal on farm emergency water infrastructure rebate scheme in early 2019	•Nil	•Nil
Concessional Loans	•Primary Industry Productivity Enhancement Scheme - concessional rates of interest (administered through Queensland Rural and Industry Development Authority) up to \$1.3 million, \$2 million for first start	•Regional Investment Corporation (RIC) Low Interest Loans (up to \$2 million)	•Drought Assistance Fund - \$50,000 interest free loan •Farm Innovation Fund - \$250,000 - infrastructure works	•Nil	•Nil	•Nil	•Nil	•Nil	•Nil
Business Support	•Land rent subsidies - rebate of 15% of annual rent on rural leases •Annual Water licence waiver •Drought Relief from Electricity Charges Scheme (DRECS) - irrigators with fixed electricity charges can apply for a waiver or reimbursement •Additional funding to Federal Government Rural Financial Counselling Service •Small Business Financial Counselling Service •Queensland Feral Pest Initiative - assist regional communities with construction of cluster fences to control weeds and pest animals •Wide range of road transport concessions •Longpaddock website with climate logical data, natural resource, climate risk, livestock and management decisions support tools.	•Communities Combating Pests and Weeds Impacts During Drought Program •Hay transportation - longer and higher loads of hay and fodder allowed to travel on state and national-controlled roads •Rural Financial Counselling Services (RFCS) •Tax concessions/instant/accelerated depreciation	•Waiver of NSW Local Land Service Rates for 2019 •Rebate on fixed charges for water licences of up to \$4,000 per licence •Waiver on Class 1 agricultural vehicle registration •Waiver and refund on Farm Innovation Fund interest charges •Drought related road upgrades/repairs program and changes to support access for heavy vehicles carrying larger loads •Farm Debt Mediation Service •Bee site permit waiver - for existing public bee site permits •Grazing permit waiver - permit holders in the Riverina •Wild dog fence waiver - annual rates for Border Fence Maintenance for 2019 •Drought Feed Calculator - app to help farmers make decisions and save money •Drought Hub – one stop online information hub for primary producers •Enhanced Drought Information System - provide meteorological, agronomic and hydrological drought indicators	•Drought Infrastructure grants •Technical and decision making support for farm business - for farmers to manage financial decisions •Farm Debt Mediation •Small Business Financial Counselling •Additional funding for Rural Financial Counselling Services (RFCS)	•Rural Small Business Financial Counselling grant - free rural financial counselling to primary producers, fishers and small related rural businesses who are suffering financial hardship and who have no alternative sources of impartial support.	•Provides 75% subsidy in up-front charges for irrigation electricity connections	•Nil	•Relief grazing - collation of an inventory of unleased Territory land that may be suitable for relief grazing	•Nil
Mental Health Support	•Tackling Regional Adversity through Integrated Care (TRAIC) •Royal Flying Doctor Service's Drought Well-being Service	•Empowering Communities program	•Rural Adversity Mental Health Program (RAMHP), support for the National Association for Loss and Grief and a 'farm gate' counselling and support service	•Look over the Farm Gate' •National Centre for Farmer Health	•Western Australia's rural health, financial and information services support directory	•Rural Alive and Well outreach services	•24 hour Agriculture and Animal Health and Welfare Hotline	•Beyond Blue - NewAccess	•N.T. Suicide Prevention Strategic Framework 2018-2023
Community Support	•Community Drought Support Package - delivers community events and activities, Flexible Financial Hardship assistance and development of Drought Management Plans •Queensland Drought Appeal •Living Away from Home Allowance Drought Supplement - supports eligible families whose children live away from home to attend school (ended 2018) •Transport Concession and School Transport Allowance	•Foundation for Rural and Regional Renewal - drought communities grants to not-for-profit community groups •Drought Communities Program - generate local work opportunities •Farm Liaison Officer - connect farmers, businesses and communities with the RFCS and community assistance measures	•Household Water Supply - provided by local councils at water filling stations •Local Land Services Support service - the management of travelling stock routes •Funding package for drought-affected preschools to reduce fees, flexibility with travel arrangements and future-proof services	•Drought Employment Program •The Drought Kindergarten Support Fee Subsidy •Camps, Sports and Excursion fund •Back to school Support •Community Resilience Program •Catchment Management Authorities (CMA) Drought Employment Program	•Regional Men's Health Initiative	•Rural Relief Fund	•Nil	•Nil	•Nil
Farm Business Training	•Farm Business Management	•Rural Training Australia	•Farm Business Skills Professional Development Program - subsidise 50% cost of approved course	•Farm Business Risk Management	•The Plan, Prepare and Prosper workshop	•Farm Business Management Training	•Regional Skills Training	•Agricultural courses offered	•Agricultural courses offered
Drought Resilience/ Preparedness	•Drought and Climate Adaptation Program (DCAP) - research/development and extension programs to improve climate and drought preparedness	•Managing Farm Risk Program - provides rebates and advice and assessments to help prepare and apply for a new insurance policy •Funding for the Great Artesian Basin - immediate and long term measures to enhance long term water security •Localised weather guides - provide facts about the likelihood, severity and duration of key weather variables	•Rural Resilience Program - connects farmers through events, learning opportunities	•Refocused Plan 2 Farm Program - assists and supports farmers to make informed decisions about their farming future •Stock Containment Areas - support for designing stock containment areas	•Installed 174 weather/rainfall stations •Investment in Doppler Radar technology •e-Connected Grainbelt project - Ag-tech tool to improve decision-making by grain growers •Climate guides for each major enterprise and soil and water resources •Specific climate adaptation and information guides.	•Rural Business Tasmania support	•Soil and crop management workshops •Technical advice on animal nutrition and animal health	•ACT Rural Resilience Grants	•Living Water Smart
Drought Coordinators	•Mr Mark O'Brien and Mr Vaughan Johnson - Drought Commissioners since August 2018	•Coordinator-General for Drought, Major General Stephen Day since July 2018	•Mr Jock Laurie - State Drought Coordinator - since December 2018	•Three new coordinators will act as a key point of co-ordination at the local level, providing information on drought services, support options, emerging risks and pressures in their region.	•Nil	•Nil	•Nil	•Nil	•Nil
Multi-peril insurance stamp duty	•Nil	•Nil	•9% waived	•10% waived	•Nil	•Nil	•11% waived	•Nil	•Nil