

DROUGHT RELIEF - STATE ASSISTANCE

**1078. Hon NIGEL HALLETT to the Minister for Agriculture and Food:**

What state strategies - not federal strategies - are in place to assist regional and country businesses affected by the drought in Western Australia?

**Hon KIM CHANCE replied:**

I thank Hon Nigel Hallett for what was a commendably short question. However, my answer is not commendably short in return. Because of its length, I table the answer and seek leave to incorporate it in *Hansard*.

Leave granted.

[See paper 2237.]

The following material was incorporated -

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**I thank the Hon. Member for some notice of this question.**

In responding to the Hon Nigel Hallett, I have done so on the basis that he is referring specifically to support for non farm businesses. As has been well publicised, the State Government has a range of measures in place to assist farmers and pastoralists.

The State Government has many strategies in place to support regional and rural businesses on an ongoing basis as well as special programs implemented as a result of the current drought conditions.

In August, the Government introduced the 2006 Dry Season Assistance Scheme, a \$5.325 million package for the worst drought affected region. Payments of up to \$7500 are made to farmers who purchase their services from regional and country businesses. Included in the Dry Season Package are grants for community events and a majority of expenditure for these events are purchased through local businesses. Additional funding has been provided for financial and family counselling services which are provided across the whole community including small business. The Minister for Planning and Infrastructure has also made arrangements for a \$4 million road construction project in the central west coast region to be available to local suppliers of services, contractors and farmers.

Shire councils and Government departments have been encouraged to bring forward capital works to assist in improving the cash flow of drought affected small businesses. Some shire councils have contracted road works to farmers who in turn have then been able to purchase their requirements from the local small businesses.

My Department has also been negotiating with the Federal Government to ensure the recently announced Exceptional Circumstances for Small Business will maximise the benefits for local small non farm businesses that derive at least 70 per cent of their business from Exceptional Circumstance declared areas. Exceptional Circumstances funding is provided by both Federal and State governments, in the last 6 years more than \$35 million in EC payments have been made to drought affected communities.

The Small Business Development Corporation (SBDC) has commenced providing advisory services to help regional small businesses worst affected by drought conditions.

In September and October 2006, visits were made to the North Eastern Wheatbelt by two SBDC officers and the Small Business Centre Network including the towns of Northampton, Chapman Valley, Mullewa, Greenough, Irwin, Carnamah, Mingenew, Morawa, Three Springs, Perenjori, Coorow and Dalwallinu to:

- advise small business in these areas of the information and advisory services which they could access from the SCDC; and
- undertake a preliminary assessment of the individual financial circumstances of the small businesses that were visited.

A total of 76 small businesses operators provided detailed responses to dry season questionnaires identifying both existing and likely future problems. During the visits discussions focused on cash flow, debt management and business planning.

Small business owners and operators in affected areas who are experiencing problems with cash flow, supplies or any other operational issues were advised and encouraged to access the free information and services provided by SBDC's through the 131BIZ (131 249) hotline.

If the Member is aware of any rural small businesses in need of assistance, they should be referred to the Small Business Development Corporation.

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