

DRY SEASON ASSISTANCE

694. Hon MARGARET ROWE to the Minister for Agriculture and Food:

I refer the minister to question without notice 599 in which the minister agreed with my mathematical analysis that shows that no more than \$3 million of the government's recent farm aid announcement of \$5.3 million is available for direct financial assistance to farmers in financial difficulty due to the drought.

- (1) Will the minister clarify how much of the \$3 million funding is for direct financial aid for farmers rather than for government-determined services such as business planning consultants?
- (2) Given that \$3 million across a possible 1 200 affected farms amounts to an average of only \$2 500 in assistance for each farm, does the minister consider such an amount to be the best this government can do?
- (3) If the government is genuine about providing drought-affected farmers with up to \$7 500 assistance, as per the minister's public announcement, will the minister guarantee to seek additional funding, if necessary, to provide \$7 500 to all affected farmers?

Hon KIM CHANCE replied:

I thank Hon Margaret Rowe for providing some notice of the question.

- (1) I did not agree with the honourable member's analysis. While I said that the mathematics in her question were correct, I also said that the logic of her proposition was flawed. The flaw was in the assumption that \$2 million of the \$5.3 million package was yet to be authorised by cabinet. As I advised in my previous answer, cabinet authorised a \$5.3 million package, not a \$3 million package as asserted in the question. The \$5.325 million package includes \$1.875 million for direct farmer grants of up to \$7 500. Farmers can choose from any one or a combination of measures to assist them with the impact. The options the farmers can choose include: freight on feed to the property; freight for livestock to be moved to agistment; water; water cartage; enhancement to water supplies or storage; construction of feedlots; and professional and technical advice, of their choice, to assist them to manage their business through what is a difficult time. The package is also made up of \$300 000 to provide financial and social counselling; \$2 million for the farm water grant scheme and other water-related measures; and \$200 000 for community and social services grants through shires to assist rural people and their communities. There is also \$750 000 to meet this state's 10 per cent contribution for the expanded exceptional circumstances area, with the commonwealth meeting the other 90 per cent. This would be a direct grant to eligible farmers in the event that the commonwealth does extend the current exceptional circumstances declarations. There is also \$200 000 to administer the aid package, which includes the cost of the Dry Seasons Advisory Committee.
- (2) Again, the question begins with the flawed assumption of a \$3 million package. Similarly, experience indicates that not all farmers apply and not all are eligible. Farmers, if they are eligible, can apply for assistance to a value of up to \$7 500.
- (3) Refer to (2). It is not intended that every farmer in a region would receive a farmer grant element, although additional farmers may be eligible for support under other elements of the package such as the farm water grant scheme, and exceptional circumstances. Farmers will also directly benefit from the community and social services and counselling elements of the package.