

FARMERS, ASSISTANCE

**1. Hon M.J. CRIDDLE to the Minister for Agriculture:**

The former Minister for Primary Industry set up a package providing financial assistance for farmers of up to \$5 000 for fodder, water cartage and agistment. The minister will be well aware that their situation is very serious at present. Can the minister advise whether this package will continue, given the circumstances in some areas at the moment?

**Hon KIM CHANCE replied:**

I thank Hon Murray Criddle for some notice of this serious question.

The scheme was set up with a finite term - that is, until 31 July 2001 - although the funds for the scheme are already exhausted. However, the Government will continue to fund the scheme, which is running at a draw of \$1.5 million per month. Given the continuing lack of significant rain in much of the wheatbelt, I requested Agriculture Western Australia to explore all the available options to assist farmers in the latter half of this year and next year. The agency initiated a new dry season response committee, which will report to me in the next week or so. If substantial rain is not received next week, much of the eastern fringe of the wheatbelt will be in drought conditions for a second year.

I acknowledge that many people who are experiencing a drought for a second year will enter their fourth year of negative income due to the preceding frosts in 1998 and 1999. These conditions will invoke a further exceptional circumstances declaration which the State will pursue vigorously to ensure the federal Government provides support to a significant proportion of WA farmers who will be struggling as a result of two consecutive droughts. That is the end of the formal answer to the question.

Together with Agriculture WA, I shall make a submission to the meeting in August of the standing committee of the Agriculture and Resource Management Council of Australia and New Zealand about the future of farm assistance schemes to handle situations like this. In particular, we will seek better alternatives to the exceptional circumstances provisions in the hope that they do not put farmers under more stress than they are currently under.