



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE
QUESTIONS WITHOUT NOTICE

Drought

QUESTION

Thursday, 15 September 2011

BY AUTHORITY OF THE SENATE

QUESTION

Date Thursday, 15 September 2011
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Questioner Senator McKENZIE
Speaker

Source Senate
Proof No
Responder Senator LUDWIG
Question No.

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Senator McKENZIE (Victoria) (14:56): My question is to the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig. Can the minister advise the Senate on the modelling undertaken by his department with respect to the \$9.6 million allocated to the farm exit grant program for the 2011-12 financial year announced in the May 2011 budget?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (14:57): The exit grants are matters that were part of the original drought policy. They provided for those farms that were in drought during the 10 years that drought existed in various places across the east coast and Western Australia. This drought policy has had agreement across various governments—the Howard government, the Rudd government and now the Gillard government—to provide assistance to farmers in drought who seek to exit during that period. It provides for payments to ensure that farmers can participate in that.

I will seek advice as to whether the modelling is available, but I doubt very much whether modelling is available for the exit packages because they were designed by successive governments. The policy was modelled on allowing sufficient money to ensure that farmers could exit during drought. That means that the type of assistance is not only limited to exit grants; it also provides assistance in the form of TIS, which is a payment while farmers are in drought.

The good news is that we are no longer in drought on the eastern seaboard. Western Australia is still experiencing climatic variability which has required the government to put in a trial to look at drought policy overall. But it is important to bear in mind that the government remain committed—(*Time expired*)

Senator McKENZIE (Victoria) (14:59): Mr President, I ask a supplementary question. Can the minister advise the Senate of the process used to monitor this program given the farm exit grant program was

suddenly suspended on 10 August 2011, only five weeks into its planned 52-week time frame?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (14:59): The Gillard government stood by farmers throughout the drought. It is clear, as I indicated in my first answer, that improved conditions across the country mean that the drought on the east coast is finally over. When the extension of the grant was made in May of this year, I indicated that funding of \$9.6 million was to be made available. Following the May decision, updated program guidelines were made available for the financial year 2011-12, specifying that the program would be open to applicants until 30 June 2012 or until the funding was expended—because, having moved out of drought and into what you would call more reasonable conditions on the eastern seaboard, the exit grant program, which I announced in May, provided for \$9.6 million and was designed to be expended. (*Time expired*)

Senator McKENZIE (Victoria) (15:00): Mr President, I ask a further supplementary question. Can the minister advise the Senate of the course of action open to stressed farmers who have already made the decision to sell the farm—those who, because of their eligibility under the farm grants scheme, entered into the sale process prior to the suspension of the program? What do they do now?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (15:01): When the \$9.6 million was expended from the May budget, we indicated that these were exit grants which were designed to assist those people who were eligible for exit grants from the system. The amount of money that was made available is significant, given that we are no longer in drought circumstances on the eastern seaboard. If there are individual cases, then Senator McKenzie can bring those up to my office and we can have a look at what circumstances those individuals may be in at that particular time. I will not take it on advice that there are people in that circumstance, but if there are individuals

then that advice could be provided to my office and we can have a look at those individual circumstances.

Senator Chris Evans: Mr President, I ask that further questions be placed on the *Notice Paper*.

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