

## **AGRICULTURE AND ENVIRONMENT COMMITTEE**

### **Report No. 29**

#### **Review of the Drought Relief Assistance Scheme**

#### **QUEENSLAND GOVERNMENT RESPONSE**

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### **INTRODUCTION**

The Drought Relief Assistance Scheme (DRAS) is a scheme of government assistance for drought-affected properties providing freight subsidies for the transport of stock, fodder and water since 1969. Since 2013, DRAS has also included the Emergency Water Infrastructure Rebate which assists in providing urgently needed water for animal welfare needs. The objective of DRAS is to maintain as far as possible the livestock resource of a property during drought and assist in the return and restoration of that resource after drought.

On 3 January 2017, the Agriculture and Environment Committee (the Committee) tabled a report (No. 29) on its review of DRAS (the Report). The Committee has undertaken a review of DRAS in accordance with its public accounts responsibilities under section 94 of the *Parliament of Queensland Act 2001*.

The Queensland Government response to the Report's recommendations is provided below.

### **RESPONSE TO RECOMMENDATIONS**

#### **Recommendation 1**

That the Department of Agriculture and Fisheries, in consultation with AgForce, the Queensland Farmers' Federation and other stakeholder groups, develops an updated model for drought support to the Drought Relief Assistance Scheme that is consistent with the 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 Australian 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, and
- (e) provides for periodic external reviews.

#### **Queensland Government response**

The Government supports the recommendation. The current Queensland Drought Policy is aligned with the National Drought Policy agreed through an Inter-Governmental Agreement (IGA) for National Drought Program Reform that commenced in 2013. The Government is committed to continuing existing drought relief arrangements until 2018, including the Drought Relief Assistance Scheme (DRAS).

The Australian Government and all State and Territory jurisdictions will commence a review of the IGA in 2017, prior to its expiry on 30 June 2018 to which the Queensland Government will contribute. The Queensland Government will develop an updated model for drought support in parallel with the IGA review in order to remain consistent with the National Drought Policy and complement Australian Government programs. The Queensland Government will consult with industry groups in the federal review process and consider the implications for future Queensland drought policy and programs.

The Queensland Government is committed to providing farmers with the tools to improve self-reliance and resilience to climate variability. The Government has recently established the Drought and Climate Adaptation Program (DCAP), which is run in consultation with AgForce and Queensland Farmers' Federation. DCAP will be an important part of the updated model for drought support.

## **Recommendation 2**

That the Department of Agriculture and Fisheries reviews the payment caps for the Drought Relief Assistance Scheme if it is to be retained after 2018.

### **Queensland Government response**

The Government supports the recommendation.

## **Recommendation 3**

That the Department of Agriculture and Fisheries reviews the transport subsidies for the Drought Relief Assistance Scheme if it is to be retained after 2018.

### **Queensland Government response**

The Government supports the recommendation.

## **Recommendation 4**

That the Government expands drought preparedness programs in conjunction with any proposed changes to DRAS transactional subsidies.

### **Queensland Government response**

The Government supports the recommendation. The Government recognises the importance of drought preparedness programs and, in the 2016-17 Budget, introduced the Drought and Climate Adaptation Program (DCAP). The Government is investing \$3.5 million a year over 5 years to deliver DCAP's key drought preparedness measures. DCAP will be implemented in advance of any possible changes to in-drought assistance programs such as DRAS and will continue even if there are no such changes.

DCAP provides Best Management Practice programs, business skills development, including for climate risk management, and will develop new climate risk decision support tools for producers, as well as research into improving seasonal forecasts that can be used by producers.

## **Recommendation 5**

In relation to establishing, and re-establishing, markets for skins and meat products from harvesting, the Minister writes to the relevant Commonwealth Minister to seek assistance to develop markets for macropod products.

### **Queensland Government response**

The Government supports the recommendation. The Minister for Agriculture and Fisheries and Minister for Rural Economic Development has written to the Honourable Barnaby Joyce MP, Deputy Prime Minister and Minister for Agriculture and Water Resources, and the Honourable Steven Ciobo MP, Minister for Trade, Tourism and Investment about the development of export markets for macropod products.