



## Review of Queensland Government drought assistance measures

Queensland is in the grips of the worst drought on record with more than 80 percent of the state drought-declared. The Queensland Government provided \$93.9 million in assistance to drought affected communities, farmers and farm businesses during 2013-14 and 2014-15. But are programs well designed and managed to provide the best outcomes and value for money for the Queensland taxpayer?

### This paper

This paper provides background information about a series of reviews the Agriculture and Environment Committee will undertake in accordance with s.94 of the [Parliament of Queensland Act 2001](#).

### Review of drought assistance

The Agriculture and Environment Committee has resolved to review and report on Queensland drought assistance measures administered by its portfolio departments: the Department of Agriculture and Fisheries (DAF); and the Department of National Parks, Recreation, Sport and Racing (DNPRSR). These programs worth \$74.3 million represent 79 per cent of the total Queensland Government drought assistance provided during 2013-14 and 2014-15.

It is the committee's intention to use these reviews to inform the Legislative Assembly regarding:

- **Design** – whether drought assistance is well-designed and meeting the needs of drought-affected communities, landholders and families
- **Delivery** – whether measures are being administered effectively and efficiently by these departments and other entities to meet their stated objectives whilst satisfying all legislative requirements, and to provide value for money for the Queensland taxpayer, and
- **Opportunities for improvement** – whether assistance measures can be enhanced to provide

improved outcomes and/or efficiencies at no net additional cost to the Government.

The committee proposes to review four measures:

Drought assistance measures to be reviewed	2013-14 funding	2014-15 funding (projected)
<b>Administered by DAF</b>		
Drought Relief Assistance Scheme (DRAS) including the Emergency Water Infrastructure Rebate (EWIR) and additional funding provided by the Australian Government	\$23.9m	\$33.3m
Additional funding for the Rural Financial Counselling Service	\$6.2m	\$6.8m
Drought workshops, mobile offices and drought program administration	\$0.2m	\$0.2m
	\$0.6m	\$1.0m
<b>Administered by DNPRSR</b>		
Hardship grazing in national parks	\$2.1m	n/a <sup>1</sup>

Source: [Department of Agriculture and Fisheries, 2015, Queensland Drought, May, p.9.](#)

### Review process

When reviewing these measures, the committee will:

- write to stakeholders inviting written submissions
- seek background briefings from the administering department
- hold public hearings to seek further information, and
- report findings with recommendations to the Queensland Parliament.

For the start and end dates for reviews, and closing dates for lodging written submissions, please refer to the committee's forward work program which is available from the committee's website.

<sup>1</sup> No funding was allocated in 2014-15 as this initiative ceased in December 2013.

## Ministerial responses to review reports

For each of the committee's review reports, the Minister responsible for the drought assistance measures under review will be required to table in Parliament a written response to the committee's report within three months after the report is tabled.<sup>2</sup>

Ministers' responses must set out the recommendations to be adopted, and the way and time within which they will be carried out and, other recommendations not to be adopted and the reasons for not adopting them. The committee will monitor progress by departments and other entities in implementing agreed recommendations.

## What is drought?

Drought is an important feature of the climate of Australia, as one of the world's most variable climates<sup>3</sup> and the driest inhabited continent.<sup>4</sup>

Drought can be defined in several different ways. When studying human impacts, it is common practice to use the agricultural drought definition which is based on extended periods of below average precipitation and/or rainfall or above average evaporation.

## Drought declaration

A 'drought declaration' is an official acknowledgment by the government that an area or property is drought-stricken. State drought declarations are triggered by severe climatic circumstances likely to occur no more than once every 10-15 years. State declarations can cover either an individual property (Individually Droughted Property (IDP) declarations) or an area (area or shire declarations).

A Shire drought declaration is made by the Minister for Agriculture and Fisheries based on the advice of Local Drought Committees (LDCs). LDCs are comprised of local producers and representatives from peak industry bodies, and are chaired by DAF extension staff.

Primary producers that do not fall within a shire drought declaration, but believe they are experiencing drought conditions can apply for an IDP declaration through DAF.

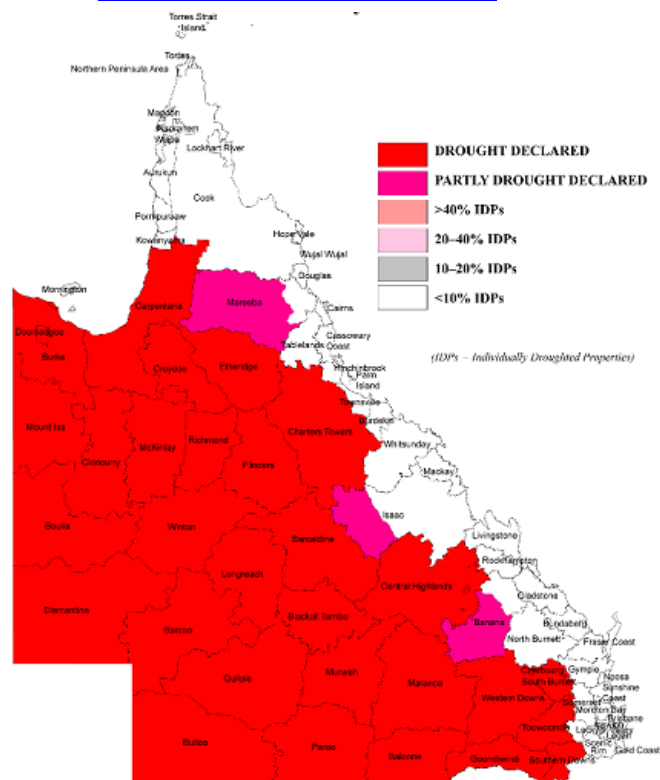
Primary producers that have an IDP have the same access to Queensland Government drought assistance as those producers that fall within a shire declaration.

## The Queensland Drought

After three failed wet seasons, Queensland now has more areas affected by drought than any other state or territory, and is in the grips of the most widespread drought on record. As shown on the map in red and pink shading, currently 80.35 per cent of Queensland is 'drought declared'.<sup>5</sup>

## The Queensland Drought Situation (as at 1<sup>st</sup> May 2015)

Source: [Department of Agriculture and Fisheries, 2015, Drought Declarations <www.longpaddock.qld.gov.au>](http://www.longpaddock.qld.gov.au)



Thirty-two entire local government areas and three part local government areas are currently drought declared, with another 66 Individually Droughted Property declarations in an additional six local government areas.<sup>6</sup>

<sup>2</sup> In accordance with s.107 of the *Parliament of Queensland Act 2001*.

<sup>3</sup> CSIRO and Bureau of Meteorology, 2014, *State of the Climate 2014: A clear picture of Australia's climate*. This report is available at [www.bom.gov.au/state-of-the-climate/](http://www.bom.gov.au/state-of-the-climate/).

<sup>4</sup> Climate Council, 2015, *Thirsty Country: Climate Change and Drought in Australia*, p.1.

<sup>5</sup> Drought declarations in Queensland this can be either through: an area declaration, which is usually a shire council area and is generally referred to as such; or an Individually Droughted Property declaration.

<sup>6</sup> [Department of Agriculture and Fisheries, 2015, Queensland Drought, May](http://www.longpaddock.qld.gov.au), p.2.

## Drought impacts

The harsh impacts of drought place the natural environment, communities, rural businesses, families, stock and crops under extreme pressures.

Agforce Queensland conducted a limited, self-selected survey<sup>7</sup> in April 2015 to understand the impacts of the current drought. The survey involved 138 Agforce members in 31 of the state's local government areas currently or previously drought-declared. Agforce noted that the impacts of the current drought are very serious and, for more than half of survey respondents, the impacts exceed the financial and personal impacts of previous droughts.

The Agforce survey confirms that members are experiencing drastically reduced surface water supplies and are dramatically reducing stocking and cropping levels on their lands as a result. This is having significant consequential impacts on farm income levels, indebtedness and the value of properties.

Not surprisingly, there is a growing body of evidence that the financial impacts and consequent emotional stress associated with being in a prolonged drought weigh heavily on the physical and mental health of affected populations. Drought has been linked to heightened levels of anxiety, disturbed sleep and depression.<sup>8</sup>

## Government drought assistance

Commonwealth, state and territory governments provide assistance to farmers, farm businesses and rural communities in hardship because of drought. Since July 2014, a new national approach to government drought assistance programs has been in place in which Commonwealth, state and territory governments focusing their drought assistance on encouraging farmers to better prepare for droughts and managing their business risks. The [Intergovernmental Agreement on National Drought Program reform](#) outlines key roles and responsibilities for each government in implementing the new approach. The agreement also includes a framework to guide decisions on the introduction of in-drought support. The agreement aims to:

- assist farm families and primary producers adapt to and prepare for the impacts of increased climate variability

- encourage farm families and primary producers to adopt self-reliant approaches to manage their business risks
- ensure that farm families in hardship have access to a household support payment that recognises the special circumstances of farmers
- ensure that appropriate social support services are accessible to farm families
- provide a framework for jurisdictions' responses to needs during periods of drought.

Drought assistance provided by the Commonwealth Government includes:<sup>9</sup>

- Farm Assistance Allowance
- local infrastructure and employment projects
- pest animal and weed management
- social and community support
- Rural Financial Counselling service
- Drought Concession Loans, and
- Drought Recovery Loans.

## Queensland Government assistance

The Queensland Government's drought assistance package worth \$93.9 million in 2013-14 and 2014-15 is delivered by seven departments and Ergon Energy:

Department/ entity	Drought assistance
<b>DAF</b>	Drought Relief Assistance Scheme including the Emergency Water Infrastructure Rebate; Additional Funding for Rural Financial Counsellors; Drought Workshop, mobile offices and drought program administration
<b>Health</b>	Mental Health workshops and programs
<b>CCSDS<sup>10</sup></b>	Community Assistance Package
<b>DNPRSR</b>	Hardship grazing in national parks
<b>Transport and Main Roads</b>	Transport concessions
<b>Natural Resources and Mines</b>	Land Rent rebate and water licence waiver
<b>Electricity and Water, Ergon</b>	Drought Relief from Electricity Charges Scheme

Source: [Department of Agriculture and Fisheries, 2015, Queensland Drought, May, p.9.](#)

<sup>7</sup> [Agforce Queensland 2015, Drought survey – make or break time for assistance, May](#), p.2.

<sup>8</sup> For a discussion of the health effects of drought, see [Stanke, C., et al., 2013. Health Effects of Drought: A Systematic Review of the Evidence PLOS Currents Disasters. June 5 Edition 1.](#)

<sup>9</sup> A brief summary of Commonwealth assistance is provided in [Department of Agriculture and Fisheries, 2015, Queensland Drought, May.](#)

<sup>10</sup> 'CCSDS' - Communities, Child Safety and Disability Services.

The Department of Agriculture and Fisheries (DAF) is the lead agency of the Government for drought assistance. The following sections provide information supplied by DAF on assistance measures the committee proposes to review.

### Drought Relief Assistance Scheme (DRAS)<sup>11</sup> &

#### Emergency Water Infrastructure Rebate (EWIR)

Producers in a drought declared area or that have an Individually Droughted Property (IDP) declaration are able to apply for the Drought Relief Assistance Scheme (DRAS) through DAF.

DRAS provides freight subsidies for fodder and water while an area is drought declared, and freight subsidies for restocking and returning from agistment after the drought declaration is revoked. DRAS also provides a rebate on the purchase and installation of water infrastructure for animal welfare needs.

DRAS provides up to a maximum \$20,000 per property per financial year on all freight subsidy and rebate types. This may be increased to \$30,000 on approval of a Drought Management Plan (DMP) by DAF extension staff. This can be further increased up to \$40,000 in the third and subsequent years of a drought declaration.<sup>12</sup>

The Emergency Water Infrastructure Rebate (EWIR) is designed to address immediate animal welfare needs and help improve properties to be more resilient to future drought. It also aims to lift productivity by providing water supply to areas where pasture was less than fully utilised due to lack of stock water.

### Additional Rural Financial Counsellors

In November 2013, the Queensland Government provided the Rural Financial Counselling Service based in Roma with approximately \$180,000 to employ two rural financial counsellors to provide targeted financial counselling to producers experiencing financial problems in the South West and Maranoa regions. Funding for these positions was extended up to 30 June 2015 for an additional \$244,000.

### Hardship Grazing in National Parks

As an emergency measure, the Queensland Government allowed temporary grazing of stock in national parks until the end of December 2013. It is

estimated that around \$2.1 million in free agistment and infrastructure improvements were delivered through this initiative. Hardship grazing ceased in December 2013 due to deteriorating land conditions caused by the ongoing drought, and the stock were removed from the national parks.

### How to get Involved

The committee welcomes public participation in their work. By sharing your views with the committee, you will help to ensure that Queensland drought assistance programs are well designed and implemented and enhanced where possible.

#### Register your interest

[Subscribe](#) to receive regular email updates about the work of the committee: the timing of reviews, calls for written submissions, the details of public hearings and briefings, and when reports and other review documents are available.

#### Make a written submission

For each of the drought assistance measures it reviews, the committee will invite written submissions. [Guidelines](#) on making submissions are available from the committee's webpages or by calling the committee's staff on **07 3553 6662**.

Written submissions should be sent by **post** to:

**Research Director**

**Agriculture and Environment Committee**

**Parliament House**

**BRISBANE QLD 4000**

or by facsimile to 07 355 36699

or by email to: [aec@parliament.qld.gov.au](mailto:aec@parliament.qld.gov.au)

### Committee Members

Ms Jennifer Howard MP (Chair) Member for Ipswich

Mr Stephen Bennett MP (Deputy Chair) Member for Burnett

Mrs Julieanne Gilbert MP, Member for Mackay

Mr Linus Power MP, Member for Logan

Mr Robbie Katter MP, Member for Mount Isa

Mr Ted Sorensen MP, Member for Hervey Bay

### Committee contact details

**phone:** 07 3553 6662

1800 504 022 (for callers outside Brisbane)

**fax:** 07 3553 6699

**email:** [aec@parliament.qld.gov.au](mailto:aec@parliament.qld.gov.au)

**web:** [www.parliament.qld.gov.au/aec](http://www.parliament.qld.gov.au/aec)

<sup>11</sup> Further information about DRAS can be found at: [www.daf.qld.gov.au/environment/drought/assistance/dras](http://www.daf.qld.gov.au/environment/drought/assistance/dras)

<sup>12</sup> From 1 April 2015, producers in western areas had been drought declared for the third year and became eligible for the increase to \$40,000 if they have a DMP.