



# The Hon Katrina Hodgkinson MP

## Minister for Primary Industries

## Minister for Small Business

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### MEDIA RELEASE

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Wednesday 30 October 2013

## NSW GOVERNMENT ANNOUNCES DROUGHT PREPAREDNESS AND SUPPORT PACKAGE

Minister for Primary Industries, Katrina Hodgkinson, has today announced a suite of immediate assistance measures to help primary producers in North West NSW deal with adverse seasonal conditions as well as longer-term drought preparedness measures.

The in-drought and drought preparedness measures include:

- a new **\$20 million Farm Innovation Fund** to provide producers with loans at concessional interest rates for in-drought and drought preparedness, replacing the previous Special Conservation Loan scheme;
- **\$4.4 million** to fund phase three of the popular **Cap and Pipe the Bores program**; and
- **\$6 million** of Commonwealth and NSW Government funding for the **Mallowa Creek Water Supply Project**, to guarantee stock and water supply for a group of landholders between Moree and Collarenebri.

Today's announcement also includes immediate measures, back-dated to 1 July 2013, to assist landholders in the Bourke, Walgett and Brewarrina Local Government Areas, which are currently impacted by drought. These include:

- the waiver of Livestock Health and Pest Authority rates;
- the deferral of Special Conservation Scheme loans by the Rural Assistance Authority on a case-by-case basis; and
- allocation of funding for Walgett Shire Council for cartage of drinking water to the Grawin Opal Fields, which suffers from water shortages.

Ms Hodgkinson said in addition to today's announcement, the NSW Government is actively considering other measures to assist landholders.

"We want to help producers be prepared for adverse seasonal conditions rather than simply assisting after the fact but, it is clear to me is that producers in North West NSW are dealing with an extraordinary situation," Ms Hodgkinson said.

"I understand many of these producers have had just two seasons in the last 10 years free of either drought or flood.

"Our farmers are the best in the world but it is immensely difficult to sustain any business and sufficiently prepare for drought when dealing with such dreadful conditions."

Ms Hodgkinson said the new **\$20 million Farm Innovation Fund** will enable producers to undertake works to prepare for drought and undertake in-drought measures.

"This new **Farm Innovation Fund** will make it more attractive for farmers to prepare their properties for future seasonal conditions while also remaining flexible to respond to scenarios like the one currently facing primary producers in North West NSW," Ms Hodgkinson said.

“This initiative will assist primary producers to identify and address risks to their enterprise, improve permanent farm infrastructure and ensure long-term productivity and sustainable land use by providing access to loans at concessional interest rates.

“In order to access these funds, landholders will need to develop a satisfactory management plan which will be required to include strategies for managing such risks as adverse seasonal events and climatic variability, market prices and disease.”

Ms Hodgkinson said producers could undertake drought preparedness and in-drought measures, including:

- cleaning and de-silting dams;
- planting of perennial species; and
- construction of on-farm infrastructure like sheds, grain and fodder storage and fencing.

The NSW Government has written to the Commonwealth requesting it match the **\$4.4 million** funding commitment for the continuation of the **Cap and Pipe the Bores program**.

Regional Assistance Advisory Committee Chair, David Palmer, said while the Bourke, Brewarrina and Walgett Local Government Areas will receive the interim assistance measures, the committee will continue to closely monitor surrounding districts.

“Landholders have told me that in parts of the North West, farmers simply haven’t had the opportunity to recover from the millennium drought,” Mr Palmer said.

“The insidious nature of drought and the effect it has on the community was on stark display when we visited the region last week.

“Recognition on the part of the Minister, following the advice of RAAC, is acknowledged.”

Ms Hodgkinson will meet with Commonwealth Minister for Agriculture, Barnaby Joyce, and Queensland Minister for Agriculture, Forestry and Fisheries, Dr John McVeigh tomorrow to discuss broader drought policy.

“Key among my discussions with Minister Joyce will be developing an accelerated depreciation scheme to encourage drought preparedness, increasing flexibility in Farm Management Deposits, enabling better access to the Transitional Farm Family Payment and the potential for interest rate subsidy assistance,” Ms Hodgkinson said.

For further detail on the assistance measures, contact the NSW Rural Assistance Authority on 02 6391 3000.