

Planning for drought recovery

Extensive Industries Development

Rainfall signalling the end of drought

Good rainfall may provide favourable opportunities to resume cropping, grazing and restocking, but it may also create short-term difficulties, such as:

- flooding following heavy storms
- death of weak animals due to flooding, bogging, low feed quality and exposure
- soil erosion, and loss of nutrients and seed reserves from the soil
- germination of weed seeds brought in with fodder and grain
- additional cash requirements for crop and pasture sowing and for livestock replacement and farm repairs, in addition to continuing family living requirements.

The need for planning

It is vital to rebuild the farm's productive capacity as quickly as possible in order to recover from the impacts of the drought. **Ideally, farmers should have plans in place even before drought conditions set in**, and the drought and recovery from drought should be managed according to these plans. After drought, the aim is to re-establish the patterns of production and cash flow as quickly as possible – the 'drought recovery plan' should provide the method by which these patterns are re-established.

If such a plan was not in place before drought set in, it is important to be aware that decisions made now will have long-term implications for the farm's natural resource base and future earning capacity, so farmers need to plan carefully during this drought recovery period. This is best done by involving all those directly affected (including the family and farm staff).

Steps in planning

Signs of initial farm recovery

The signs that will trigger drought recovery planning and activity include:

- adequate pasture growth to warrant grazing with reduced supplementary feeding
- sufficient soil moisture for pasture or crop establishment
- adequate water for stock and domestic use.

Stocktake of farm resources

The next step in planning is to assess the condition of the farm, especially following a prolonged drought, as farm resources may be in a different condition to that normally experienced. A comprehensive stocktake will make planning easier and more reliable, and will include:

- the recent history of each paddock, to determine its short-term and long-term capacity
- soil structure and fertility
- erosion damage
- vegetation remaining and germinating (including pastures, weeds and crop stubbles)
- condition of paddock trees, shelter belts and areas of native bushland
- water quality and quantity in the soil, in the dams or tanks, in the streams, and for domestic supplies and irrigation
- farm infrastructure, including fences, contour banks, buildings, machinery and roads
- numbers, types, ages and health of livestock
- seed supplies for crop or pasture sowings
- financial resources
- human resources
- other physical attributes or limitations.

The capability of individual paddocks should be considered as components of the overall farm, so that the management of each paddock can suit its



capability and be coordinated into a whole-farm plan.

A realistic assessment of the overall financial capacity to remain in farming is part of the stocktake. In many cases, professional advice will be needed to assess assets, liabilities, equity, availability of credit, cash flow opportunities and ongoing commitments. A financial assessment will show that for some farmers, leaving the farm is an option to be considered seriously. Financial considerations are dealt with in more detail in Primefact 48, *Financial management during drought recovery*.

Setting farm goals

A management plan should be developed to achieve the goals of the farm family and business partners. Goals may include maximum profit, better lifestyle, returning the farm to a better condition, establishing the children in new ventures, and increased equity. The various goals will have different time frames – some will be short term (within a year), while others will be long term (up to 10 years or even longer).

Devise some time indicators which will be used to measure the success or failure in achieving these goals; for example:

Year	Goal
Year 1	Farm cash flow re-established.
Year 5	Conservation works installed.
Year 10	Sufficient fodder in storage to manage the impact of the next drought on your property.

Don't be too ambitious in your goal setting. Break the goals down into bite-sized pieces, which can be checked off (say, every 3 months) on a wall planner that you may have on display in the farm office or house. Record your successful programs.

The capacity of the farm to meet the goals may be examined by:

- listing the opportunities provided by the farm resources, the drought and the recent rains
- listing the problems that have arisen during the drought
- assessing the strengths of the farm business (e.g. equity, breeding stock, the management plan) which enable problems to be overcome, and opportunities to be capitalised on
- assessing the weaknesses in the farm business (e.g. repairs needed, debts, land degradation) which may restrict the farm's capacity to recover sustainably from the drought.

These assessments enable a re-examination of your goals, and help you to decide whether they are achievable in the context of the farm's resources.

Your management plan – tying it together

Using the stocktake of farm resources and the farm goals, you should now develop a property management plan which will enable you to achieve the goals for your farm business. Your management plan will include broad decisions on enterprises, as well as detailed individual paddock plans, and may relate to local land care and catchment planning.

Other publications on the [Drought recovery](#) page provide more details to assist you in your drought recovery planning, along with reference material and contact people for more specific information.

Drought recovery planning is an integral part of long-term property management planning, and should fit in with the needs and capacity of the surrounding catchment.

A key point to remember is that recovery from drought, and establishing the farm on a sound footing for future droughts, will not necessarily be achieved by just doing more of the same. Sound physical and financial planning is the cornerstone of recovery, survival and development, and is the very first thing that needs to be done.

Further information

See the NSW DPI website drought recovery page www.dpi.nsw.gov.au/agriculture/emergency/drought/recovery

Acknowledgment

This Primefact is based on information contained in *The Drought Recovery Guide*, by NSW DPI.

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Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (November 2007). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of New South Wales Department of Primary Industries or the user's independent adviser.

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