

## Queensland Drought Assistance

In 2017, the Palaszczuk Government made an election commitment to “Maintain DRAS and work with industry to develop permanent assistance arrangements, incorporating recommendations of the DRAS Report of the Agriculture and Environment Committee”.

Queensland provides a whole-of-Government response to drought through its Drought Assistance Package. In the 2018/19 financial year, the package has access to funding of up to \$34.6 million which is delivered by several departments to support drought affected communities across the State.

### National Drought Policy and the Intergovernmental Agreement on National Drought Program Reform

The objectives of the National Drought Policy are to encourage primary producers and other sections of rural Australia to adopt self-reliant approaches to managing for climate variability, facilitate the maintenance and protection of Australia’s agricultural and environmental resources base during periods of climatic stress, and facilitate the early recovery of agricultural and rural industries, consistent with long-term sustainable levels.

The Intergovernmental Agreement (IGA) on National Drought Program Reform between the Federal, state and territory governments outlines arrangements for drought preparedness and in-drought assistance. Consistent with all other jurisdictions, this policy has been adopted by Queensland.

Ministers of the Agriculture Ministers’ Forum (AGMIN) requested a review of the IGA to see if the IGA should be continued. The review recommended the IGA is extended with only minor amendments. It is expected that a new IGA will be in place by late 2018.

### Agriculture and Environment Committee Review of the Drought Relief Assistant Scheme (DRAS)

The former Queensland Parliamentary Agriculture and Environment Committee (AEC) reviewed the Drought Relief Assistance Scheme and released its report in January 2017. DRAS subsidises the freight costs of transporting fodder and water to livestock in drought declared areas, livestock returning from agistment when the drought has ended, and rebates for new water infrastructure for emergency animal welfare reasons.

The AEC made five recommendations, the first four are related to Queensland drought programs and are:

1. The Department of Agriculture and Fisheries (DAF), in consultation with AgForce, the Queensland Farmers’ Federation and other stakeholder groups, develops an updated model for drought support to DRAS that is consistent with 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 Federal 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
  - (e) provides for periodic external reviews.
2. DAF reviews the payment caps for DRAS if it is to be retained after 2018.
  3. DAF reviews the transport subsidies for DRAS if it is to be retained after 2018.
  4. The Palaszczuk Government expands drought preparedness programs in conjunction with any proposed changes to DRAS transactional subsidies.

## **Independent Panel**

An independent Panel will undertake the review in consultation with an Interdepartmental Committee (IDC) made up of relevant Palaszczuk Government agencies. The Panel will manage consultation processes to ensure appropriate industry consultation and bi-partisan support of proposed drought program reforms.

## **Scope of the Review**

In view of the AEC recommendations and the review of the IGA on National Drought Program reform, the Panel for the Drought Program Review should specifically:

### Part A

1. In consultation with the IDC and relevant stakeholders, develop a framework for identifying the options for a new drought model in Queensland including:
  - (a) manage a consultation process with key stakeholders to scope issues
  - (b) undertake appropriate consultation which may include meetings and written submissions to the review.
2. Oversee a program evaluation process in which evaluators (who are to be contracted by DAF) will:
  - (a) determine the criteria and evidence for evaluating the efficiency and effectiveness of drought assistance and related programs and their alignment with the IGA on National Drought Program reform<sup>1</sup>
  - (b) evaluate the efficiency and effectiveness, consistent with the IGA on National Drought Program reform, of current Palaszczuk Government drought assistance programs
  - (c) provide a framework to evaluate the efficiency and effectiveness of current Queensland Government drought declaration and revocation processes

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<sup>1</sup> For example, Queensland Government Program Evaluation Guidelines and DAF Evaluation Framework

- (d) provide a framework to evaluate the efficiency and effectiveness of possible new drought programs to encourage a culture of drought preparedness and resilience in Queensland's agricultural sector.

## Part B

- 3. Consider these options in the context of a new whole-of-Government drought model that is consistent with National Drought Policy and the IGA, focused on:
  - (a) encouraging farmers to improve self-reliance and resilience to climate variability
  - (b) avoiding distortionary impacts on farm business decision making, and between farm and non-farm businesses
  - (c) complementing Federal Government programs
  - (d) providing for periodic external reviews.
- 4. Provide options on transitional arrangements that are consistent with the IGA, progress the implementation of the new drought model, including possible drought declaration mechanisms, and respond appropriately to drought issues and implied liabilities associated with current programs that may arise during any transitional phase.

The final review report will be considered by the Palaszczuk Government.

The final report is to be provided to the Minister for Agricultural Industry Development and Fisheries by 31 January 2019.

### **Out of the Scope of the Review**

Drought policy and consideration of new programs which are not consistent with the IGA on National Drought Program Reform.

## **Appendix 1: Queensland Government Assistance Programs**

### **Drought Relief Assistance Scheme (Department of Agriculture and Fisheries)**

The purpose of the Drought Relief Assistance Scheme (DRAS) is to help primary producers with drought-declared properties to:

- manage the welfare of their core breeding herd during drought
- restore their herds after drought.

Producers with a property that is currently drought declared may be eligible for:

- freight subsidies for transporting fodder
- freight subsidies for transporting water
- the Emergency Water Infrastructure Rebate (EWIR), which provides a rebate on the purchase and installation of water infrastructure installed for emergency animal welfare needs.

Producers with a property that has had its drought declaration revoked may be eligible for:

- freight subsidies for transporting livestock returning from agistment
- freight subsidies for transporting livestock purchased for restocking.

### **Land Rent Subsidies (Department of Natural Resources, Mines and Energy)**

As part of the government's drought assistance package, landholders of rural leases (being Category 11 leases used for grazing and primary production) issued under the Land Act 1994 are eligible for a rebate of 15% of the annual rent where that annual payment is more than the minimum rent of \$261.00 (excl. GST).

The rebate is available to leases in drought declared areas and individually droughted properties. Landholders who are eligible for the rebate have it automatically applied to their annual or quarterly invoices, along with information about the rebate.

### **Water Licence Waivers (Department of Natural Resources, Mines and Energy)**

Annual water licence fees are being waived for Queensland producers whose properties are in drought-declared areas or have an IDP. Affected producers will be advised of the waiver by letter. Fees for all new water licence applications for stock and domestic water in all drought-declared areas in Queensland are also waived. This includes properties with an IDP.

### **Drought Relief From Electricity Charges (Department of Natural Resources, Mines and Energy)**

The Drought Relief from Electricity Charges Scheme (DRECS) provides relief from supply charges on electricity accounts that are used to pump water for farm or irrigation purposes. Financial assistance is available in drought-declared areas or if their property has been drought-declared. Producers can apply for a waiver or reimbursement of supply charges on all relevant electricity accounts.

### **Living Away From Home Allowance Drought Supplement (Department of Education)**

The Living Away From Home Allowances Scheme (LAFHAS) supported eligible Queensland families whose children need to live away from home to attend a state school or an

accredited non-state school. This may be because their homes are geographically isolated and/or nearest school is a bypass school.

## **Community Drought Support (Department of Communities, Disability Services and Seniors)**

The Community Drought Support package aims to strengthen the resilience of drought affected Queenslanders through the delivery of community events and activities, Flexible Financial Hardship assistance, and the development of Drought Management Plans. Drought assistance funding is distributed to local councils, neighbourhood centres, emergency relief providers across all drought declared areas.

## **Transport-related drought assistance**

Delivered by Transport and Main Roads (TMR), these transport-related drought assistance measures include:

- permits for increasing the maximum hay loading height
- concessions on shifting droughted livestock
- waivers and greater flexibility on certain vehicle registration conditions and fees and charges
- increased school transport allowances for some families that drive their children to school or connect with a school bus run.

## **Other programs**

The following programs are not part of the Drought Assistance Package but can be seen to address some of the objectives of national drought policy.

## **Tackling Regional Adversity through Integrated Care**

As part of Queensland Health's Tackling Regional Adversity through Integrated Care (TRAIC)\* program, grants valued between \$5 000 - \$50 000 are available each year to enable Queensland communities affected by adversity associated with drought, disaster and other crises to build community resilience, in other words the sustained ability of a community to withstand and recover from adversity.

## **Royal Flying Doctor Service's Drought Well Being Service**

This program funded by Queensland Health provides mental health services to droughted remote communities through workshops and primary health care.

## **Primary Industry Productivity Enhancement Scheme**

The purpose of the Primary Industry Productivity Enhancement Scheme (PIPES) is to provide loans at concessional rates of interest to existing primary producers and to those looking to enter the primary production industry or upgrade their existing non-viable primary production enterprise. This program is administered on behalf of DAF. This scheme is made up of two separate programs, the Sustainability Loan program and the First Start Loan program.

## **Drought and Climate Adaptation Program (DCAP)**

The Drought and Climate Adaptation Program (DCAP) has three objectives:

- Improving the drought resilience and preparedness of primary producers
- Improving the capacity of primary producers to manage climate variability
- Improving the capacity of primary producers to adapt to climate change.

## **Farm Business Training**

The Farm Business Management Skill Set aims to enhance practical business skills and covers business planning, budgeting, risk management and succession planning. It provides the essential knowledge needed to more effectively manage your farm and will help you to identify areas for improvement.

This qualification is a nationally recognised qualification and is open to anyone who is an owner of, manager of or worker on a farm in Queensland and they may already hold a Certificate IV or higher level qualification. The qualification is subsidised under Queensland's demand driven VET Investment Plan and there are no caps on the number of students or funding expenditure. The qualification has recently been promoted through the Rural Jobs and Skills Alliance.

For further information on assistance see here:

<https://www.qld.gov.au/emergency/dealing-disasters/disaster-types/drought>