

DROUGHT PROGRAM REVIEW (QUEENSLAND)

INDEPENDENT PANEL REPORT

QUEENSLAND GOVERNMENT RESPONSE

INTRODUCTION

The Palaszczuk Government committed to review drought programs and assistance in Queensland for future droughts. On 26 August 2018, an independent expert panel made up of Ms Ruth Wade and Mr Charles Burke were engaged to look at what can be done during, in preparation for future droughts through a Drought Program Review.

The Independent Panel held regional forums and sought written submissions throughout September and October 2018 and provided their recommendations to the Minister for Agricultural Industry Development and Fisheries on 31 January 2019.

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

RESPONSE TO RECOMMENDATIONS

Recommendation 1

The existing Local Drought Committee (LDC) Framework and the drought declaration process, including Individually Droughted Properties (IDPs), be maintained in the immediate future. The areas of responsibility and processes and procedures of the LDCs should be immediately clarified and made publicly available to avoid confusion and misinformation.

Queensland Government Response

The Queensland Government supports this recommendation. Department of Agriculture and Fisheries (DAF) to make full LDC guidelines on the DAF website.

Recommendation 2

By 30 June 2021, the current LDC system and declaration process be reviewed and restructured into a new system for declarations that will be based on the transition to a more objective, science-based, multi-layered framework, utilising publicly accessible indicators, and maintaining appropriate local input.

Queensland Government Response

The Queensland Government supports this recommendation. Commence a Queensland Drought Declaration project by 1 July 2019 for implementation by 1 July 2021. Continue current LDC processes until that time, and consider option for a 2020 pilot year to build trust in new systems and its indicators.

Recommendation 3

The current Drought Relief Assistance Scheme (DRAS) fodder and water freight subsidies cease on the revocation of current drought declarations, including area declarations and IDPs.

Queensland Government Response

The Queensland Government supports this recommendation. DAF to consult with industry on transition with transition arrangements to commence from 1 July 2019.

Recommendation 4

The DRAS livestock freight subsidy cease on the revocation of current declarations, including area declarations and IDPs. Restocking and returning from agistment subsidies would be available for two years, as per existing guidelines, after current declarations are revoked.

Queensland Government Response

The Queensland Government supports this recommendation. DAF to consult with industry on transition, with transition arrangements to commence from 1 July 2019.

Recommendation 5

The EWIR Scheme continue over the course of the current drought, be maintained as part of any future drought response, and be administered by the Queensland Rural and Industry Development Authority (QRIDA). The guidelines of the scheme should be broadened to include all extensive livestock production systems, not just breeding stock. These guidelines should make stock housed on the property for more than 12 months eligible.

Queensland Government Response

Supported in principle, the Government will consult about how best to implement this recommendation and will announce its substantive response, together with an implementation plan, prior to July 2020.

Recommendation 6

The existing Department of Natural Resources, Mines and Energy (DNRME) land rent subsidies be continued (subject to future drought declaration parameters).

Queensland Government Response

The Queensland Government supports this recommendation. Continue providing subsidies through current drought.

Recommendation 7

The existing DNRME water licence waivers be continued (subject to future drought declaration parameters).

Queensland Government Response

The Queensland Government supports this recommendation. Continue providing subsidies through current drought.

Recommendation 8

The Drought Relief from Electricity Charges Scheme (DRECS) be continued with administrative improvements and clear definition of eligibility (subject to future drought declaration parameters) until government provides a suitable suite of tariffs for agriculture.

Queensland Government Response

The Queensland Government supports this recommendation in principle, noting the Government does not set tariffs.

Recommendation 9

Future drought electricity tariffs should reward energy efficiency and coordinated investment in solar and other renewables on a local/district scale.

Queensland Government Response

Do not support on the basis that there are no existing nor planned drought-specific electricity tariffs. The Queensland Government is investing in the \$10 million Energy Savers Plus Program Extension is assisting agricultural businesses to identify and realise energy savings and productivity improvements. Energy Queensland Limited (EQL) is investigating new network tariff options for the 2020-2025 network regulatory period. These tariffs could be beneficial for farmers and irrigators, although they are not exclusively designed for this group.

Recommendation 10

The Queensland Department of Education Living Away from Home Allowances Scheme (LAFHAS) Drought Supplement be reintroduced immediately and become part of a continuing Queensland Government drought assistance program (subject to future drought declaration parameters).

Queensland Government Response

Supported in principle, the Queensland Government will write to the Federal Government to request additional assistance for those accessing Assistance for Isolated Children in drought impacted areas.

Recommendation 11

The Department of Communities, Disability Services and Seniors Community Drought Support program be continued, with administrative improvements that provide for a defined formulae for determining the quantum of grants allocated to each local government area. The Queensland Government develop clear guidelines which will allow individual communities to determine the priorities and delivery model that best suit their needs (subject to future drought declaration parameters).

Queensland Government Response

The Queensland Government supports this recommendation. Continue the Drought Support program in 2019-20 to support local communities in drought affected areas.

Recommendation 12

The Department of Transport and Main Roads transport-related drought assistance measures continue, and further development of potential waivers and exemptions be explored by the Queensland Government (subject to future drought declaration parameters).

Queensland Government Response

The Queensland Government supports this recommendation. TMR transport-related drought assistance measures continue, noting further development of potential waivers and exemptions be explored by the Queensland Government subject to budget constraints.

Recommendation 13

The Queensland Health Tackling Regional Adversity through Integrated Care (TRAIC) program be continued.

Queensland Government Response

The Queensland Government supports this recommendation.

Recommendation 14

The Royal Flying Doctor Service Drought Wellbeing Service continue to be supported, and a longer term security of funding be guaranteed.

Queensland Government Response

The Queensland Government supports this recommendation.

Recommendation 15

The Queensland Government continue to provide a drought supplement to the Australian Government funded Rural Financial Counselling Service (this may require additional funding to maintain the current level of support), and maintain funding for the Small Business Financial Counselling Service.

Queensland Government Response

The Queensland Government supports this recommendation. Funding for the Small Business Financial Counselling service to be continued subject to the uptake of the Small Business Pilot.

Recommendation 16

The Queensland Government bolster its funding and resourcing to current Drought and Climate Adaptation Program (DCAP) projects. This should include funding for the finalisation of existing projects, and appropriate resourcing for extension, delivery and promotion of these valuable long-term preparedness tools.

Queensland Government Response

The Queensland Government supports this recommendation. Current funding levels appropriate for initial programs, the DCAP Steering Committee to consider forward years as to whether further funding appropriate from 2021.

Recommendation 17

The Queensland Government, through QRIDA, provide loans of up to \$250 000 for drought preparedness activities, and replanting and restocking costs. Eligibility for these loans would be linked to an individual business risk management plan. Drought preparedness measures may include, but not be limited to:

- a. storage and infrastructure for fodder, including molasses, to allow forward contracting
- b. water infrastructure and reticulation, including additional water license acquisition
- c. alternative power infrastructure and new generation technology.

Repayment terms to include a repayment free period of up to two years, and an interest rate regime based on the five- or 10-year Queensland Treasury Corporation fixed interest rates to provide producers with certainty. The resources be made available to QRIDA to actively promote this scheme for drought preparedness as part of an agricultural business's risk management.

Queensland Government Response

Supported in principle, the Government will consult about how best to implement this recommendation and will announce its substantive response, together with an implementation plan, prior to July 2020.

Recommendation 18

The Queensland Government actively promote and, importantly, provide financial support to primary producers and individual agribusinesses to develop individual business risk management plans utilising multiple service providers and accepted models.

Queensland Government Response

The Queensland Government supports this recommendation in principle and will consult with industry on a suite of options, including existing programs, for 2020-2024 to ensure appropriate support for individual business risk management.

Recommendation 19

Upon the provision of an individual business risk management plan, the application fee for a development application (DA) for mulga management be waived. The term of a DA be a minimum period of 10 years to reflect the appropriate, scientifically proven, and best management practice of mulga.

Queensland Government Response

In principle support is contingent on further work to resolve how to implement the recommended minimum 10 year term on DAs for fodder harvesting to ensure there are no unintended consequences and to show that this change is needed to achieve the intended outcomes.

In principle support for the fee waiver is contingent on the Government consulting about how best to implement this recommendation and announcing its substantive response, together with an implementation plan, prior to July 2020.

Recommendation 20

The DNRME simplify the messaging and extension around the *Accepted Development Vegetation Clearing Code: Managing Fodder Harvesting* to clarify and clearly articulate the management of vegetation that predominantly consists of fodder species (eg. mulga) and is necessary to provide fodder for stock.

Queensland Government Response

The Queensland Government supports this recommendation. DNRME will develop a structured program of landholder field days and information session to create better understanding of the Code and develop simplified extension materials.