



Australian Government

RRAT Legislation Committee

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By: Senator Glenn Stiele

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The Hon David Littleproud MP

Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management



Backing our farmers and drought affected communities

27 September 2019

**Prime Minister, Minister for Infrastructure, Transport and Regional Development,
Minister for Agriculture, Minister for Water Resources Drought Rural Finance
Natural Disaster and Emergency Management**

Farmers and their communities will have access to more support with the Coalition Government announcing it will provide more funding, cut red tape and increase services.

Prime Minister Scott Morrison said a new support package will deliver nearly \$100 million to drought-hit communities, which is on top of more than \$7 billion in drought support funding already provided by the Government.

“Supporting drought affected communities remains our Government’s most urgent priority,” the Prime Minister said.

“I know that things are only getting harder for many farmers and rural communities, and that’s why we are taking further action and providing even more support.

“We’ve been in constant contact with farmers and businesses, and we’re using their feedback to keep improving our response.

“As I’ve said before, this isn’t set and forget. We need to keep listening and keep taking action.

“We know we can’t make it rain, but we must keep finding ways to do everything we can to make life just a bit easier and remove some of the burden. That’s why our Government is providing more money to help people with bills, more money for counselling and more money to local councils.

“We’ve got to get more cash into these communities and cut more red tape, making it easier to access support.

“I will do everything in my power to ease the burden on farmers and their communities. That’s our Government’s promise.”

Deputy Prime Minister Michael McCormack said the package of measures would provide an immediate economic stimulus at the local level as well as employment for people whose work has been affected by drought.

“We are delivering \$33.42 million to resume the Drought Community Support Initiative, which will deliver up to \$3000 to eligible farming households experiencing hardship due to drought,” the Deputy Prime Minister said.

“And we are providing a \$13 million extension to the Drought Community Programme to deliver support at the local government level where it counts.

“Thirteen Local Government Areas will be provided up to \$1 million for local infrastructure and drought relief products.”

Minister for Agriculture, Senator Bridget McKenzie, said targeted relief followed careful assessment of the current challenges farmers were facing.

“We know that FHA is a vital hand-up for farmers in times of need—but the Independent Review of Farm Household Allowance told us it could be improved,” Minister McKenzie said.

“Farming families have told me that the FHA program does not currently treat them as business owners and places a real burden on farmers already doing it tough. This was reflected in the review.

“Today we are announcing a radical simplification of the FHA application process and key settings.

“We will remove the requirement for business income reconciliation, change the time limit on payment from four years in total to four out of every ten years, simplify the assets test, recognise agistment as being part of primary production income, and redesign the application process. For the first time, couples will be able to apply for the payment using just one application.

“These changes will make FHA quicker and easier to access, better reflect the nature of farm businesses, and to acknowledge that farmers may experience more than one period of hardship in their lifetime.

“Some of these changes will require amendments to legislation, but through Centrelink we will implement as many of the changes to the application process immediately.”

Minister McKenzie also announced today an injection of \$740,000 of contingency funding to five Rural Financial Counselling Service providers who are experiencing pressure from increased demand for their services.

Minister for Drought David Littleproud said the Coalition Government was delivering a comprehensive suite of support measures to farmers in hardship.

“This shows our commitment to stay flexible and respond as needed,” Minister Littleproud said.

“Today’s announcement further strengthens our drought response which includes concessional loans, farm management deposits, tax breaks, and mental health support.

“The government is already providing more than \$7 billion in assistance and concessional loans to support those affected by drought.”

“This shows the Coalition Government’s commitment and belief in hard working farming families.”