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Mr John Hawkins
The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Mr Hawkins

Re: Inquiry into the Bankruptcy Amendment (Exceptional Circumstances Exit Package) Bill 2011

The South Australian Farmers Federation supports the intention of this Bill.

The Exceptional Circumstances Exit Grant is targeted at low income and low asset farm owners. It is designed to assist farmers who have a significant long-term personal and financial attachment to their property but due to drought are forced to choose to make the difficult decision to leave farming. The Exit Grant provides such farmers the opportunity to leave with some dignity and some funding so that they and their families can start life after farming.

It is unconscionable that financial institutions and other creditors, who may have been involved in putting pressure on such farmers to sell, are able to threaten bankruptcy so that they can get access to this government funding.

It is essential that the Exceptional Circumstances Exit Grant is exempt from normal bankruptcy proceedings.

The current Exceptional Circumstances Exit Grant was established in 2007. It is disappointing that it has taken until now, when the Grant is currently due to cease on 30 June 2012, for this amendment to be put. And particularly as the Government has announced that the funds allocated in the 2011/2012 budget have now been fully subscribed (despite only being in the second month of the financial year), and it is now not possible to take any further applications.

It is essential that if there is any extension of this Grant, or if the Grant is ever re-introduced, that exemption from bankruptcy is included.

Yours sincerely

Carol Vincent
CHIEF EXECUTIVE