

## **DRY SEASON ASSISTANCE SCHEME**

*Statement by Minister for Agriculture and Food*

**HON KIM CHANCE (Agricultural - Minister for Agriculture and Food)** [4.08 pm]: I wish to make a statement about the Western Australian 2007 dry season assistance scheme. On 21 August 2006, cabinet approved a package of up to \$5.3 million to assist farmers worst affected by the dry season. The package comprised \$2.575 million direct funding to farmers affected by the 2006 dry season, \$750 000 additional funds for the state's share of exceptional circumstances, and \$2 million for water initiatives administered through the Department of Water. The funding of \$2 million has now been fully allocated.

Applications to the 2006 dry season scheme closed on 31 March 2007. Some 276 applications were received for direct-to-farmer grants of up to \$7 500, with 244 applications being approved to date. Twenty-four applications have been declined or withdrawn and eight applications are awaiting further documentation for final assessment. For the shire and community grants, 42 applications were received, with 39 approved and three declined. Seven applications were received for counselling grants and all seven were approved. Total expenditure to date, including the Department of Water's initiatives and administrative costs, is \$4.423 million.

Today the Premier announced the 2007 dry season assistance scheme as part of the government's ongoing commitment to our farming sector and rural communities. This is a \$9.34 million package, and represents a significant increase on the 2006 package in recognition of the 2006 season and its carry-on and accumulated effects into the 2007 dry season. The sheer size and scale of the drought is evident in the 2007 declared areas, which initially covered the Shires of Chapman Valley, Dalwallinu, Koorda, Merredin, Morawa, Mount Marshall, Mukinbudin, Mullewa, Northampton, Perenjori, Three Springs, Trayning, Westonia and Yilgarn. As the season progresses, we will continue to monitor the situation for other shires within the agricultural and pastoral regions for the consideration of further declarations that will enable access to the new package.

The 2007 dry season assistance scheme is available immediately through the Department of Agriculture and Food. It will enable farmers to apply for grants of up to \$8 000 to help minimise the impact of the drought. The direct farmer grants will cover either one or a combination of the costs incurred in freight on agistment, fodder or water, for destocking, to improve water supplies, to develop feed lot infrastructure and to access professional advice, or for any other essential farm business expense agreed to by the Department of Agriculture and Food. The major objectives of the package are to provide support services for farmers and pastoralists and to assist in the impact of the drought on crops and the retention of breeding stock, while minimising the risk of land degradation.

The other main focus for government is through the \$500 000 allocated for financial and social counselling services. A further \$360 000 will be made available for community service grants. These grants are up to \$5 000 per project, with a maximum of two projects per shire. These projects can include sports events, community and social gatherings, or any appropriate event that assists in raising community spirit. A further \$180 000 will be provided for social service support grants, which will be available for social service groups that offer counselling and other support services to farmers in the declared shires.

In recognition of the effects of the dry season on small business, the government is providing \$200 000 to assist small businesses. Financial assistance will be made available to small business in affected areas to ascertain their current financial positions. This will be administered by the Small Business Development Corporation and it will also provide free advice and information to small businesses on planning, management, business improvement and the regulatory environment. The state government has already started work on a submission to the commonwealth government for an exceptional circumstances declaration for areas that are eligible for support, recognising that some identified areas are already within declared exceptional circumstances boundaries. This declaration is ultimately a decision made by the commonwealth government.

Consideration of the statement made an order of the day for the next sitting, on motion by **Hon Ken Baston**.