

FARMERS — ASSISTANCE PACKAGE

9. Hon PHILIP GARDINER to the Minister for Agriculture and Food:

Noting the Premier and the minister's concern for grain farmers across much of Western Australia's wheatbelt, I refer to the commonwealth's offer of a \$30 million package towards assisting the state's farmers in 2013.

- (1) Is this funding available for immediate activation?
- (2) Is it the intention of the government of Western Australia to make part of this funding accessible to grain farmers who meet criteria laid down by the state government and the commonwealth government?
- (3) If so, how much of the \$30 million will be made available for the critically timed seasonal financing needs that extend over May and the first half of June 2013?
- (4) When will applications for this funding be sought from grain farmers who require additional seasonal finance to sow their crops?
- (5) Have there been discussions between the state government and agribusiness lending banks that would give lenders the confidence to advance funds to grain farmers to meet essential sowing needs?
- (6) Are additional funds to meet seasonal financing needs flowing from banks to grain farmers as a result of these discussions?
- (7) If no to (6), when is it proposed that funds are likely to flow to grain growers from the \$30 million package?

Hon KEN BASTON replied:

I thank the honourable member for some notice of this question.

- (1) No.
- (2) Yes. It is the Western Australian government's intention that all farm businesses that meet both the state government's and the commonwealth government's criteria will be eligible to apply, including grain farm businesses.
- (3) Concessional loans of up to \$200 000 would ensure access for as many eligible farm businesses as practical. Timing of availability is dependent on the commonwealth government setting eligibility criteria and providing other details that would enable implementation. At this stage the state government has had no response from the commonwealth on key questions such as the interest rate or provision for bad debts.
- (4) Applications from farm businesses will be open as soon as the commonwealth government has determined the eligibility criteria and signed an agreement with Western Australia.
- (5) Yes, there have been discussions between agribusiness lending institutions and the state government. I have been informed that fewer than 40 farm businesses have not been provided with carry-on finance this year. All other farms have had most, if not all, of their program approved.
- (6) I am informed that the banks are keen to support as many farm businesses as possible to prevent a collapse in property prices. The recent rainfall in some areas last week will have boosted confidence levels for both grain growers and their financial institutions. So I take this opportunity to call on all members to continue to pray for rain, particularly for the eastern wheatbelt.
- (7) I understand that there is intense discussion between different commonwealth departments on how to roll out these funds to the states. It seems that the commonwealth Minister for Agriculture, Fisheries and Forestry may not have worked through with some of his ministerial colleagues key details such as interest rates and payment of bad debts. Hopefully, we will get something in writing by the end of May, which will allow us to accept applications over June and then commence the payment of funds in July.