

# **COMMUNITY DEVELOPMENT AND JUSTICE STANDING COMMITTEE**

## **INQUIRY INTO WESTERN AUSTRALIA'S NATURAL DISASTER RELIEF ARRANGEMENTS**

**TRANSCRIPT OF EVIDENCE TAKEN  
AT LAKE GRACE  
MONDAY, 6 NOVEMBER 2006**

### **SESSION SIX**

#### **Members**

**Mr A.P. O’Gorman (Chairman)**

**Mr Mr S.R. Hill**

**Ms K. Hodson-Thomas**

**Mrs J. Hughes**

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**Hearing commenced at 3.11 pm**

**DUCKWORTH, MR BRUCE, examined:**

**The CHAIRMAN:** The committee hearing is a proceeding of Parliament and warrants the same respect that proceedings in the house itself demand. Even though you are not required to give evidence on oath, any deliberate misleading of the committee may be regarded as a contempt of Parliament. Have you completed the "Details of Witness" form?

**Mr Duckworth:** Yes.

**The CHAIRMAN:** Do you understand the notes attached to it?

**Mr Duckworth:** Yes.

**The CHAIRMAN:** Did you receive and read an information for witnesses briefing sheet regarding giving evidence before parliamentary committees?

**Mr Duckworth:** Yes.

**The CHAIRMAN:** Before we start asking you questions, would you like to make any opening comments?

**Mr Duckworth:** In what aspect?

**The CHAIRMAN:** About the committee's inquiry into WANDRA.

**Mr Duckworth:** No, I do not think so. I do not really know what you are looking for, to be quite honest.

**The CHAIRMAN:** We will plough through these questions, and see how we go. Could you give us a bit of background to the recent natural disasters that have been proclaimed for this area, and their impacts on you?

**Mr Duckworth:** After that flood, I had sheep isolated for quite a while. That was a bit of a problem. I had sheep stuck up on dam banks. I thought I had some fences left, but in the end I never had one internal fence left on the farm when it finished. Most of the boundary fences were washed away. There is a lot of erosion, mainly down roadways and laneways - they were washed away. There is one aspect you would be a bit concerned about, because you do not know what will happen. All the dams are full, but you do not know how full. You do not know what is in the bottom. They might be fine or they might be silted right up. I do a lot of dam cleaning. You might think you have ten feet of water going into a summer, and you might find you only have three to six feet, but you will not know that until we get some dry weather.

**Mrs J. HUGHES:** Is that from the shifting of soil?

**Mr Duckworth:** Yes. A lot of soil is shifted.

**The CHAIRMAN:** Are you are farmer?

**Mr Duckworth:** Yes.

**The CHAIRMAN:** Are other farmers aware of that? Are they checking for that?

**Mr Duckworth:** I would say it would be pretty common knowledge, and that they would be aware of it.

**The CHAIRMAN:** Can you tell us how aware you are of the assistance measures available to you following a natural disaster?

**Mr Duckworth:** How I was aware of it?

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**The CHAIRMAN:** No - the assistance. Are you aware of what assistance is available?

**Mr Duckworth:** Yes, it is in the rural press.

**The CHAIRMAN:** Could you give us some examples of the kind of assistance that is available?

**Mr Duckworth:** The only assistance I was really aware of is that you could get a bit of money for a farm adviser to reassess things if you wanted to. Other than that, I did not go into it a lot, to be quite honest.

**The CHAIRMAN:** Are you aware of the interest rate rebate for loans up to \$150 000 over 10 years?

**Mr Duckworth:** Yes, I am aware of it.

**Mrs J. HUGHES:** Are you not interested, as a farmer, in accessing any assistance?

**Mr Duckworth:** I applied for that once, years ago, so I think I am now ineligible.

**The CHAIRMAN:** So, is it the case that once you have applied for that interest rebate, you can only do it once and then you are ineligible?

**Mr Duckworth:** As far as I was aware.

**The CHAIRMAN:** This is just helping us get information together.

**Mrs J. HUGHES:** We just get an idea, then, of what information is out there and what is being accessed.

**Mr Duckworth:** I was aware of that, but you just about have to be a Rhodes scholar or someone to do all that necessary work.

**Mrs J. HUGHES:** When you applied for the funding last time, were you able to manage all the forms and the process?

**Mr Duckworth:** The history was very hard. At the time I was lucky. I had a lot of old statistics forms, whereas you do not do an annual statistics form now. I did it myself, but it took a long time to put it together.

**Mrs J. HUGHES:** Do you think that some farmers might be put off accessing funding because of the detail that is required?

**Mr Duckworth:** I do not know that a lot of them would have a lot of those records that you need to go into detail for that long, but it went back a long time, a lot of it.

**The CHAIRMAN:** What sort of detail did you need?

**Mr Duckworth:** It was a fair while ago. I do not recall that, but I can just remember doing it. It would have taken me - I do not know now - on and off, well over a week, I would say.

**The CHAIRMAN:** That is one of the issues, is it not - to get the paper work simplified?

**Mr Duckworth:** Yes; there are pages and pages, and the history is needed. There is a lot there.

**The CHAIRMAN:** You mentioned statistics, and said you used to have them but you do not keep them any more.

**Mr Duckworth:** It was a compulsory annual thing that you did an agriculture census and statistics. We did a brief one this year, and I would say that that is the first one that has been done for - you must know more than me; how often do they do them?

**The CHAIRMAN:** I am a pure city boy. I would not have a clue.

**Mr Duckworth:** I think sometimes they just canvas certain people, and do some, but I know there is not an annual statistics collection any more.

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**The CHAIRMAN:** Do you think that people are generally aware of what assistance is available to them under WANDRA?

**Mr Duckworth:** Yes, I would say. A lot of people, because of their off-farm assets, would never even bother applying for it.

**Mrs J. HUGHES:** Is that because everything is income and asset tested? A lot of people would not fall within the boundaries.

**Mr Duckworth:** I think most people would not.

**Mrs J. HUGHES:** Most people would not?

**Mr Duckworth:** I would say so. But just on that, it should be hard to get. As a classic example, if you have \$500 000 worth of wheat board shares, you should not be getting it, should you? Things like that. You talk about these sorts of situations. In 1987 and 1990 I got completely wiped out by frost. There was no assistance back then, and it cost me a farm. I look at these situations now. People have 10 000 to 20 000 acres. If it costs you 5 000 acres to get you back on your feet, they will not do it. That is not a government job to help them for that.

**The CHAIRMAN:** So are you saying that it is part of the risk of doing business in agriculture?

**Mr Duckworth:** I think so. I would have done it harder than most, because, like I said to Judy earlier on, I cleared all my farm shearing sheep. There are many who do not want to do any hard yards. It is pretty easy to complain and expect a handout. I have a son who runs an auto-electrics business. There are no handouts for him.

**The CHAIRMAN:** That is another question. A lot of businesses do not get any assistance even if they get wiped out through a flood or anything else. Under WANDRA at the moment, are there any particular exclusions, such as reinstatement of fencing or immediate assistance measures like stock disposal, that would have been helpful?

[3.22 pm]

**Mr Duckworth:** The cost of fencing would have been. I have since found out that certain companies cover a bit of it on insurance. It is the same old thing. Insurance companies are pretty good are they not? Anything that seems to happen, we see it fall out of the window.

**The CHAIRMAN:** They seem to be a necessary evil to us all do they not?

**Mr Duckworth:** I did not realise at the time that we could. I do not know that we can. We can put a bit of a cover on fencing. The cost of fencing would have been a help, yes.

**Mrs J. HUGHES:** Have you found that insurance premiums have risen?

**Mr Duckworth:** Yes. They are going up astronomically.

**Mrs J. HUGHES:** Is that due to the fact that farmers are undergoing some phenomenal weather patterns? Is your bill for insurance a little bit higher every year?

**Mr Duckworth:** Yes, but I think that applies to all insurance does it not? I do not think it is anything to do with our seasonal conditions. Insurance in general has gone through a change has it not?

**The CHAIRMAN:** Is it not going up because you are making excessive claims on it or anything like that?

**Mr Duckworth:** I do not think there are any more claims than there ever has been. The only ones we ever get do not usually happen, such as a bit of hail and a bit of fire.

**Mrs J. HUGHES:** A bit of frost and a few locusts.

**Mr Duckworth:** Is there insurance on locusts?

**Mrs J. HUGHES:** No; I just wondered.

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**Mr Duckworth:** If there are no locusts there is, but if there are locusts there most probably is not.

**The CHAIRMAN:** That is what we are asking questions about. The inquiry was instigated as a result of a motion moved by Graham Jacobs in the Legislative Assembly a few months back. Terry Redman, the member for Stirling, amended Graham's motion asking that the committee undertake the inquiry, which the Assembly then referred to us. We must undertake the inquiry, which has one term of reference; namely, to investigate NDR arrangements, and that is what we are doing.

**Mr Duckworth:** Is that for a government insurance scheme or something, or what?

**The CHAIRMAN:** The government tends not to favour insurance schemes after previous efforts. We are looking to see whether arrangements can be made better. We are also very aware that the disaster relief arrangements are done by agreement between all states and the federal government. If we want to change something here in Western Australia radically, we must get it through the national sphere - all the other state governments and the federal government. It was really a look at some of those issues that the member for Roe wanted.

**Mr Duckworth:** Does your term of reference cover what - a flood?

**Mrs J. HUGHES:** A fire or a major disaster.

**The CHAIRMAN:** Any natural disaster - earthquake.

**Mrs J. HUGHES:** Cyclone.

**Mr Duckworth:** Under what classification would you place complete wipe out of frost?

**Mrs J. HUGHES:** That would not be a disaster. Does that fall within it?

**The CHAIRMAN:** It would depend. It must be declared a natural disaster.

**Mr Duckworth:** What about drought?

**The CHAIRMAN:** Drought is fairly well covered. Different mechanisms exist for drought. The definition of a natural disaster or an eligible event applies to those events resulting from any one, or a combination of, following natural hazards - bushfire, earthquake, storm, cyclone, storm surge, landslide, tsunami, meteorite strike or tornado. Damage must exceed an amount of \$240 000.

**Mr Duckworth:** Many of them are insurable things are they not? To be honest, given the season we have had, this flood was probably the best thing that could have happened to us early in the year.

**The CHAIRMAN:** Why is that?

**Mr Duckworth:** If there had not been a flood, there would be no water for stock and the paddocks would have blown away. Given the drought that has occurred since, without that flood it would have been a disaster.

**The CHAIRMAN:** So it was a blessing in disguise?

**Mr Duckworth:** I can remember being droughted here before and watching paddocks blow away for week on end. I would sooner go and stand up some fences than watch the farm blow away.

**The CHAIRMAN:** There is nothing much that can be done to mitigate that.

**Mr Duckworth:** No. But there is always something out of a flood, such as green feed. There are benefits from floods.

**The CHAIRMAN:** Is your farm still under water?

**Mr Duckworth:** No. There is still a lot of washaway. I have a fair amount of work to do and there is still a fair amount of fencing being done.

**The CHAIRMAN:** Out of that flood your farm put a lot of green feed back on the paddocks.

**Mr Duckworth:** It is a lot better than if the flood had not occurred, given the season we have had since.

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**The CHAIRMAN:** Do you run stock? Are you a crop farmer or stock farmer?

**Mr Duckworth:** I am very heavily into stock. We run it fairly intensively.

**Mrs J. HUGHES:** You are a very optimistic farmer.

**Mr Duckworth:** I do not know about that.

**The CHAIRMAN:** The Ag department told us that there are many optimistic farmers out there.

**Mr Duckworth:** Optimistic?

**The CHAIRMAN:** People for whom problems are a part of the job. They just do the job and get on with it. They accept things.

**Mrs J. HUGHES:** With some of the happenings on your farm, such as flood, fire or whatever, is there an opportunity for you to help mitigate risk for future events? Do you as a farmer see your way to changing outcomes if another event were to occur to mitigate some of the risks?

**Mr Duckworth:** There is not much you can do about a flood of that extent. No, there is nothing you can do. There was a suggestion that we fence along the creek lines. To the quite honest, if we had fenced a along the creek lines we would have lost a lot more fencing. Instead of taking out the sections where the water ran, I would have had water running two miles wide from one foot to 18 inches deep. I thought I would have lost stock. We did not get some of them out for at least a day. They freeze up on you. It was only through access to a horse that we were able to gradually get them out.

**The CHAIRMAN:** Did you have many stock losses from the last flood?

**Mr Duckworth:** No. I did not, believe it or not. I thought I had lost about 1 000 at one stage, but we gradually found them. I do not know whether the sheep knocked the fences over or the flood knocked them over. They went down the creek line and came out in other places and found their way up on the hills. Some were stranded on dam banks and there were some in water about a foot deep. I had to leave them all Friday night, but we gradually got them out on the Saturday.

**The CHAIRMAN:** Does that cause them problems?

**Mr Duckworth:** The only thing we could use to get them out was the Steiger tractor, so it left wheel marks.

**The CHAIRMAN:** Is there an animal welfare issue for animals that are in water for long periods?

**Mr Duckworth:** Yes, but we could not do a lot about it. We would not swim them through two feet of water. We could only hope the water would drain a bit to enable us to get them out. Once it was one foot deep or below, we shifted them. We dropped hay to them. I do not think there was much we could do.

**The CHAIRMAN:** You just cope with it and go on.

**Mr Duckworth:** Yes. It mostly would have been all right. Dams up the line burst. If it ever happened again, I would shift stock earlier, but I have not seen that magnitude of rain before. It would have still probably been all right, but from about nine o'clock I reckoned there was nothing untoward; there was no need to panic. However, within an hour a couple of dams burst a couple of farms away. All of a sudden it was time we shifted stock, but it was too late. If it ever happened again I would shift stock earlier. That is a management issue.

[3.29 pm]

**Mrs J. HUGHES:** From a farmer's perspective on national disaster relief arrangements, is there anything you believe could be put in place that would be of paramount assistance?

**Mr Duckworth:** I do not know. We hear an announcement on the radio that \$30 million will be released for this, that and the other, and I always say that they release money for the press and build

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bridges in front of it to stop people getting it. I think you will find that is pretty common as far as what every farmer would reckon. They make an announcement -

**Mrs J. HUGHES:** Very little trickles down to the farmer.

**Mr Duckworth:** Yes. I will give a classic example. I have a mate who is pretty high up in Elders and they had stock stranded in Esperance and could not get them through, so they had to pay someone to feed them down there. He said, "You're going to get all this feed and money distributed to you." Then I faxed him the forms and once he read them, he said it sounded good on the radio. To me, there is a big announcement and then they build bridges in front of it and most people do not even bother applying for it, I reckon.

**The CHAIRMAN:** A lot of the councils pick up some of that funding to replace and reinstate roads and things like that. When they announce \$30 million or whatever the amount is, that is across the spectrum. Some of that will be the \$1 500 farm consultation.

**Mr Duckworth:** People in the city think farmers are getting that money. Most times when they make those announcements that a certain amount of money is going to be released, how often is that amount of money ever distributed?

**The CHAIRMAN:** We have some information about what was distributed. After the great southern storms and floods in April-June 2005, including payments for professional advice, over \$17 000 was distributed; approval of loans for four per cent interest subsidies was \$1.2 million; then there were potato seed crop inspection fees, which was something to do with Albany losing the seed crop, about \$10 000; cyclone Clare and subsequent flooding, 13 January - these are old figures; I believe they have been updated since - professional advice over \$11 000; approval for loans for four per cent interest subsidy, \$587 000.

**Mr Duckworth:** That sounds well and good on the day of the event, or not long after the government made the announcements, but I wonder how much was promised. You said that was how much had been paid out. I bet it was a lot bigger than those figures.

**The CHAIRMAN:** It was a lot bigger. Some of that goes to reinstatement of roads, which is Main Roads, and some has gone to local councils for reinstatement of their roads, albeit local councils still have to come up with 25 per cent of the cost. If it costs \$100 000, the local council still has to find \$25 000. That is how it goes out. Those figures specifically went to individual farmers.

**Mr Duckworth:** The specific figures never match what is -

**Mrs J. HUGHES:** What is advertised.

**Mr Duckworth:** Very rarely. I could be wrong.

**The CHAIRMAN:** That is how our system works apparently.

**Mrs J. HUGHES:** That is why we are looking at it.

**Mr Duckworth:** But there are all the bridges built in front of it; there is a lot of that I do not disagree with either, because a lot of people apply who do not need it should not get it.

**The CHAIRMAN:** If I can quote the figures from earlier on, there were 28 applications for assistance and I think only four were knocked back.

**Mr Duckworth:** To me it is a great thing for farm advisers because they say straight away to go to your farm adviser. To be honest, I reckon it is a joke. I did and the adviser applied for it and I told him what I had to do. He gave me no advice whatsoever and I do not reckon normally they would. What would a bloody farm adviser know about the flooding on my place? He would not even know which way the water runs.

**The CHAIRMAN:** I think that might be the difficulty because from what I understand, that money for the adviser is not just to tell you about how the water runs or anything else like that. It is also to

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tell you about the financial implications of what is happening, which you probably know reasonably well anyway, but he should be able to point you in some directions on how to assist yourself with those financial issues, and some technical issues if that is appropriate. Anyhow, that is how much money is put into the fund and if it gets used, it gets used, and if it does not, it does not.

**Mr Duckworth:** He recommended I should apply for that and I said "Do it". I was too busy fencing.

**Mrs J. HUGHES:** You were out there doing the work. The last witness said that most farmers are out there doing the work, not in the office.

**Mr Duckworth:** In a situation like that, straight away you have no feed left.

**Mrs J. HUGHES:** So to have someone hands on deck to assist with form filling might be -

**Mr Duckworth:** Yes, but there is not going to be anyone like that - the labour. What you cannot do yourself just gets put off to another day, does it not?

**Mrs J. HUGHES:** I do not mean the labour; I mean the bureaucracy.

**Mr Duckworth:** Yes, it is to handle the bureaucracy.

**The CHAIRMAN:** Bruce, is there a final comment you would like to make?

**Mr Duckworth:** Not on this, but there is something I will tell you that I feel pretty strongly about. In a country like Australia, I reckon there is too much waste. The classic example is when you get a frost. The Ag department will move in and say it is not viable to cut the crop for hay and it just gets left. A lot of it gets burnt. To me, whether it is done through a government insurance scheme or whatever, something has to happen. That commodity should never be wasted. Instead of a bloke applying for a grant or a loan when there is a frost that wipes out his crop, that crop has to be turned into hay. He can claim insurance through a government insurance scheme but he has to provide the commodity. He has to cut it and that commodity has to be put in storage somewhere because within a year or two years somewhere in Australia there will be a drought and millions of tonnes of hay will have been burnt and wasted two years before. If it was put in a pool, the bloke would make some money. He gets paid for that commodity - not a lot, but above the cost of production. Then he does not run into any hard times; he has the money up front. The first thing people will say is that that will crash the hay market, which it always does, but that hay cannot go into the hay market. That has to be retained by the government so that when there is a situation like there is now, with drought, that hay comes out, but not at the \$300 or \$400 a tonne it is now, just a little bit above the price at which it went in. As soon as there is a frost, a bloke has no income, and then he gets a drought and he pays a ridiculous price -

**Mrs J. HUGHES:** For feed.

**Mr Duckworth:** To get that out at the right price, he would have to be in a drought-declared area. The government would lose no money on it whatsoever. It could even make a small margin and it would take out all its drought assistance and all this hand-back for frosts. To let a commodity like that lie in the paddock and go to waste in a country like Australia is a shame.

[3.40 pm]

Last year in the wheatbelt thousands of tonnes of hay that had been damaged by frost were just left in the paddocks. We have had bad frosts in this area. The year we get them, the hay is worth less than the freight and the price of contract workers to do anything with it. With the headers that we have these days, the cockies can cut it. All they would have to do is provide some balers. The cockies have the tractors. Then they get a return on their crop. I know that none of them will ever do it.

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**The CHAIRMAN:** You have completely confused me. It is on the public record so we can refer back to it and see how we go. Bruce, thank you for coming in and for your contribution to the committee's inquiry.

**Mr Duckworth:** I do not know whether I contributed too much.

**The CHAIRMAN:** A transcript of the hearing will be forwarded to you for correction of typographical errors or errors of transcription or fact. New material cannot be introduced, in the sense that the evidence cannot be altered. Should you wish to provide additional information or elaborate on a particular point, you should submit a supplementary submission for the committee's consideration. If the transcript is not returned within 10 days of receipt, it will be deemed to be correct. Thank you again.

**Mr Duckworth:** Enjoy your stay.

**Hearing concluded at 3.41 pm**

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