



AgForce welcomes Federal drought assistance

AGFORCE has welcomed today's Federal Government announcement of a \$320 million dollar package to support Queensland and New South Wales drought affected producers.

The announcement, made by Prime Minister, Tony Abbott, and Minister for Agriculture, Barnaby Joyce includes essential assistance to help alleviate pressure on farm businesses, families and communities as a result of the severe drought.

AgForce Chief Executive Officer, Charles Burke, said the assistance package reflects acknowledgement by Government of the financial and personal impacts of this drought on affected producers.

"We welcome the announcement and Government's recognition, in an already tight budgetary environment, of the importance of supporting Queensland producers," Mr Burke said.

"The efforts of Minister Joyce in advocating for the package are also particularly appreciated.

"It is vitally important that these funds are now distributed as soon as possible and that access to this assistance is streamlined without the need for onerous paperwork by applicants."

The announced changes in asset test eligibility for income support acknowledge the unique circumstances of farmers and will help to increase the number of farmers that will be able to access these funds.

"From 3 March 2014, farmers with up to \$2.55 million in net farm assets will be eligible to apply for this crucial assistance, a significant increase on current limits" Mr Burke said.

The total funding of the concessional loan scheme has been expanded to \$280 million; however the interest rate reduction was not as substantial as anticipated, with 4 per cent loans over five years expected on offer.

"With less than 50 per cent success rate for loan applicants in past rounds of the Farm Finance Loan Scheme, the effectiveness in providing interest cost relief will largely depend on improving access to the scheme. "

It is also important to note while the package includes many of the aspects required of a comprehensive in-drought policy; it does not address all of the measures requested by producer groups, such as direct wage assistance for farm workers.

AgForce will continue to work with the Federal Government to ensure the effectiveness of these current measures and further funds being made available if needed in line with developing seasonal weather conditions.

"As we have over the past two years, we will continue to work with Government to develop a sustainable long term drought policy that supports preparedness and resilience as well as delivering certainty about available support in future droughts.

"While the only solution to drought is effective rainfall, this further provision of Government assistance will contribute significantly to providing relief to many Queensland farmers, their families and rural communities."

While further details are expected, today's announced measures include:

- Easier access to household income support from 3 March (for farmers with up to \$2.55M in net farm assets)
- Further funds made available for concessional farm loans (\$280M, expected to be 4 per cent loans over five years for 50 per cent of eligible debt up to \$1M per enterprise)
- Assistance to states for wild dog and other pest animal control through local NRM groups (\$10M)
- Additional assistance to states for water infrastructure grants (\$12M)
- Funding for increased social support and mental health service delivery (\$10.7M).

Ends

For media enquiries, contact

AgForce media and communications: Stacey Milner 0418 733 102 or milners@agforceqld.org.au

Nadine Long 0427 626 853 or longn@agforceqld.org.au

Who is AgForce? AgForce represents thousands of Queensland broadacre producers who recognise the value in having a strong voice. AgForce leads the way to ensure agriculture's social, economic and environmental contribution is recognised by all levels of government. AgForce works alongside landholders, encourages and supports the next generation, builds industry partnerships and skills and promotes agriculture - for secure, sustainable, progressive and profitable food and fibre into the future.