



Queensland Dairyfarmers' Organisation Limited ABN: 90 090 629 066

Ms J Howard MP
Chair, Agriculture and Environment Committee
Parliament House
Brisbane Qld 4000
Email: aec@parliament.qld.gov.au

28th August 2015

Dear Madam Chair,

**RE: Queensland Parliamentary Committee (AEC)
Review of drought assistance measures, 2015**

The Queensland Dairyfarmers' Organisation (QDO) welcomes the opportunity to make a submission in response to the Agriculture and Environment Committee (AEC) review of Queensland Government drought assistance measures outlined in the background paper.

The QDO is the peak industry body representing the interests of Queensland dairy farmers and provides a wide range of advocacy, support and information services to its members and the industry service providers across Queensland. The QDO is also a member of the Queensland Farmers Federation (QFF) and of the Australian Dairy Farmers (ADF).

In the context of this review, the QDO advises that it fully supports the brief provided by QFF, especially in noting that this review has been superceded by one just completed by QCA. The Queensland Government has responded that it will not implement any of QCA's recommendations that "leave regional Queensland worse off". Also, the Treasurer Hon Curtis Pitt has noted there will be no change in any drought measures while the current exceptional drought continues. We take these clear statements to mean that should be the end of this matter for the current term of this government and expect the Committee will confirm that to be the case so that any uncertainty is removed, especially for farmers that are current affected by drought. However, we note the Committee's work includes reviewing opportunities for improving drought assistance delivery and it is this aspect of The Review that QDO wishes to offer additional comments.

The Queensland Drought Relief Assistance Scheme (DRAS) has provided critical support to dairy farmers during severe periods of drought for over twenty years by providing a key assistance to help offset significant freight costs brought on by drought conditions. This flows through to help dairy farmers maintain their herds and to avoid animal welfare impacts. During past, and the current drought, the DRAS program has assisted in maintaining Queensland dairy herds, which otherwise would have been lost to the Queensland dairy industry with the knock on affects to processing viability and employment.

DRAS freight subsidies have proven to be a timely and effective program for assisting primary producers to procure and transport fodder in times of severe drought to avoid animal welfare impacts, particularly with the need to freight feed and fodder from interstate. The value of DRAS is that it becomes available to affected farmers much earlier than national drought programs and has a well-established process for getting claims approved and paid.

Unlike many other animal industries, dairying activities cannot easily be relocated (adjusted) in times of severe drought and as such the freight subsidy for feed and water has provided important support to enable dairy farmers to maintain their core herds.

The new initiative of providing a rebate on water infrastructure purchased for emergency animal welfare needs has also assisted a number of dairy farmers to maintain water supplies to their stock. This initiative will be very important for more dairy farmers if drought conditions continue to worsen, as is forecast.

The QDO has welcomed this initiative as it has practically helped farmers to address emergency stock water supply issues, which also has the longer term benefit of making the property more drought resilient, which fits the policy objective of helping farmer to prepare for future droughts.

It needs to be acknowledged that most drought assistance measures do assist individual producers impacted by drought, as is the case with most natural disaster assistance measures, but this is as it should be because they also provide flow-on assistance to local and regional communities which are also impacted by the effects of drought. This is of course the case for helping to avoid negative animal welfare and environmental impacts and as such drought and natural disaster programs provide a vital community service above and beyond assisting an individual drought affected primary producer.

QDAF has many years of experience in administering the scheme and a number of refinements over time have improved the checks and balances to ensure the scheme is not abused. However, we need to state that it is important this balance be kept, because we do not want to see Queensland programs become overly onerous as has recently happened with some national drought and natural disaster assistance programs.

The QDO would like to offer the reflection that some dairy farmers have experienced difficulties in accessing the DRAS program, in particular relating to obtaining the necessary documentation from feed suppliers to submit with their DRAS application and then with the passing of time and the stressful demands of drought missing application lodgement cut of dates and then not being provided with compassionate understanding when seeking an extension of time. This scenario can add greatly to the stress suffered by farming families and the QDO would like to see the restoration of a more compassionate review process providing the farmer can provide a genuine reason for missing the lodgement cut-off date and meets the criteria of the program.

In relation to the provision of freight subsidies for the transport of feed the dairy industry would like to explore the potential for collective applications to utilise the initiative to move bulk shipments of grain, concentrates or fodder. Through a collective approach the freight subsidy is less likely to be 'absorbed' in individual producer transactions and more likely to provide a positive influence on the supply and demand function in the feed commodity market.

The QDO is supportive of the provision of assistance to help primary producers to better prepare for future drought events, however believes that the Queensland safety net programs such as DRAS need to be maintained to provide support in times of severe drought where impacts surpasses the ability of good primary producer management practices. We acknowledge that state programs need to align with national ones where feasible, but the national drought reform processes still have not delivered the clear preparedness programs that all industries have sought. Until the Intergovernmental Agreement on National Drought Program Reform becomes more comprehensive and public, it remains our belief that DRAS and associated state drought initiatives provide sound assistance for the special conditions that exist in Queensland when drought strikes.

Thank you for the opportunity to place our views to the Committee.

Yours sincerely



Brian Tessmann
President