

DROUGHT PACKAGE Q&A

CURRENT SITUATION

What are the current conditions facing NSW farmers, their families and rural communities?

Drought has been a constant and inevitable feature of the NSW landscape.

I recently toured drought affected regions to see first-hand the impact that drought is having on regional communities and economies.

Approximately half the state is in drought or conditions fast approaching drought. Some of the worst hit areas are the Hunter, Central Tablelands, Central West and in the Far West of the state.

Producers are now at a critical decision point, they need to either get winter sowing underway in earnest or choose when to de-stock and by how much. Pastures are greatly diminished, soil moisture is low and agronomic conditions in general are poor.

How is this drought different to the drought of the early 1980s?

I have heard many people say that the current drought looks much like the 1982 drought; however, there are a few differences. At the moment interest rates are much lower than they were in 1982, and farm income, and stock and commodity prices, are significantly higher than they were in 1982.

What is the current outlook?

Unfortunately, the Bureau of Meteorology winter outlook is for warmer and drier conditions for most of South-East Australia with very dry conditions expected for most of inland NSW.

I know things are very tough right now and it appears unlikely that seasonal conditions will improve in the short term, however I want to assure you that there is light at the end of the tunnel and the NSW Government will stand by our farmers, their families and rural communities.

What is the current NSW Drought Strategy?

In 2015, the NSW Government launched its Drought Strategy focusing on preparedness, improved decision making and targeted support for rural communities.

The strategy includes transport loans and subsidies, a rural resilience program, rural support workers and financial counselling, skills and training subsidies, and the Farm Innovation Fund.

The \$300 million NSW drought package aligns to the intergovernmental agreement signed in 2013 and the drought preparedness and management strategies adopted at that time by other states and territories.

What is the role of the NSW Drought Coordinator?

The former New South Wales Rural Woman of the Year, Pip Job, is the new State Drought Coordinator.

Pip will help ensure farmers and their communities can raise concerns and identify opportunities for our current drought strategy.

As a grazier herself, Pip knows first-hand the impacts of drought and she will ensure that the Government is providing farmers with the right support at the right time.

Pip has carried out countless farm visits, met with groups of farmers and easily spoken to over 100 farmers on the phone and many more via email.

Farmers wanting to speak with Pip should email drought.coordinator@dpi.nsw.gov.au

BOOSTED DROUGHT PACKAGE

1. TOP UP AND EXPANSION OF FIF

What is the Farm Innovation Fund?

The Farm Innovation Fund is the centrepiece of the NSW Drought Strategy.

The NSW Farm Innovation Fund offers low-interest loans, which provide up to \$250,000 per project to assist primary producers to identify and address risks to their farming enterprise, improve permanent on-farm infrastructure (such as sheds, silos and water storage) and ensure long term productivity and sustainable land use.

The Farm innovation Fund also promotes economic stimulus in our regional communities.

What is the demand for the NSW Farm Innovation Fund?

The Farm Innovation Fund has been in high demand since it was introduced in 2013.

The NSW Farm Innovation Fund is currently capped at \$250 million and has already approved more than \$216 million in loans.

As conditions deteriorate farmers appear to be more motivated to enhance their drought preparedness, with the Rural Assistance Authority receiving applications of more than \$3 million per week.

In response to this increased demand, the RAA has put on additional staff.

Will the NSW Government top up the Farm Innovation Fund (FIF)?

I am pleased to announce that the NSW Government has allocated an additional \$250 million to extend the Farm Innovation Fund for four years from 2018/19.

Drought Assistance Fund

The FIF has been extended to include a \$50,000 loan program called the Drought Assistance Fund (DAF). The DAF will provide interest free loans to primary producers in the midst of emergency drought conditions to fund:

- a. Transport of livestock, fodder and/or water;
- b. Water infrastructure; and/ or
- c. Banking of genetic material of sheep and cattle.

The DAF will have a two year repayment free period commencing when the loan is fully drawn down, followed by a five year repayment period, interest free. Loan recipients will have 12 months in which to draw down loans. Funding for the loans will come from the Farm Innovation Fund and processed through the Rural Assistance Authority (RAA).

2. DOPPLER RADAR WEATHER STATIONS

What are dopplers?

Dual Polarimetric Doppler Radar (Doppler radar) is a specialised radar that measures the direction and speed of precipitation in the atmosphere, toward or away from the radar. The maximum range for a Doppler radar is typically between 150 and 200 kilometres depending on the location.

Doppler radar offers benefits over conventional radar in short term weather forecasting:

- Ability to more accurately determine the accumulated rainfall and resultant stored soil moisture across properties, particularly for large and geographically dispersed land holdings;
- Improved short term forecasting of severe weather;
- Improved techniques for the short-term forecasting of rainfall;
- Improved radar derived rainfall rates for use in flood warning operations; and
- Enhanced tracking of the location and strength of wind changes also benefits aviation, detection of plague locust migrations, firefighting and other emergency services.

This investment is vital to ensure NSW's regional communities receive adequate warning of severe weather events and remain competitive.

How will this improve the meteorological network?

The NSW Government has committed over 25million to construct three new Doppler radar weather stations in the Peak Hill, Brewarrina and Ivanhoe areas.

This is fantastic news for our farmers, agricultural industries and the communities.

The new Doppler radars will deliver fast, accurate, live weather updates and means farmers will finally be able to make timely business decisions about when to sow seed, harvest crops or move stock, boosting productivity and saving money.

What are the economic benefits of NSW having three new Doppler radars?

High resolution weather information provided by the radar stations has the potential to provide economic, social and environmental benefits for the population of 170,000 people in the study area as well as providing benefits of over \$156 million over the next 20 years. These benefits include:

- Benefits to agriculture estimated to be \$124 million primarily through the reduction in input costs and improved crop yields. With the expected accelerated adoption of precision agriculture in farming operations the benefits from detailed real time weather data could potentially increase;
- Benefits to road users from improved road safety and reduced injury costs of \$12.4 million;
- Benefits from reduced flood damage costs of up to \$11.2 million; and
- Benefits to the mining sector are estimated to be \$34.6 million.

3. KANGAROO REDUCTION TO BETTER MEET CURRENT QUOTAS

Are farmers and rural communities concerned about the high number of kangaroos?

We have heard loud and clear that farmers and also road users throughout regional NSW, are seeing more and more kangaroos.

Kangaroos are causing damage to farm fences, eating what little pasture is left on the ground and drinking the limited water resources.

Coupled with road safety risks and animal welfare concerns for the kangaroos themselves which are running very short of food and water in many areas, this is understandably leading to frustrations in rural communities.

What is the kangaroo Strategy?

We are making it easier for landholders to manage high numbers of kangaroos. The changes will reduce red-tape and streamline processes for non-commercial licences.

These changes will make it easier for landholders to respond to kangaroos.

Government will also support landholders to connect with commercial harvesters which will provide landholders an additional tool to manage kangaroos.

Specific changes include:

- Licencing conditions will be amended to enable more than two shooters to operate on a licence and allow for secondary uses of carcasses for non-commercial purposes.
- The need for physical tags will be removed and the criteria to issue quotas standardised.
- A process will begin to establish a new commercial harvesting zone in the South East.

Removing the need for physical tags

Farmers will still be required to report over the phone or email the number of kangaroos they have culled, however we are removing the need for physical tags, and the need for farmers to physically present to a National Parks and Wildlife Service office.

This will enable government to ensure sustainable kangaroo numbers, while allowing farmers to get on with their jobs.

OEH has agreed to implement these changes as soon as possible but no later than September 2018

Expansion of commercial zone in the Sth East

We will be increasing the number of shooters that can operate under each licence to help support landholders in managing kangaroos.

We will start the process to expand the commercial harvest zone to the South East of the state, because landholders have expressed a desire to have commercial harvesting.

There are commercial harvesting zones across most of NSW. But there are no harvesting zones along the East Coast and in the South East. Non-commercial culling can still occur in non-commercial harvesting zones.

Every five years, OEH submits a Commercial Kangaroo Harvest Management Plan which establishes the quotas of kangaroos that can be harvested sustainably per zone. The Commonwealth government approves the plan and endorses the quotas.

Each zone requires a population survey to be conducted. The quotas sit between 15-17% of the total population in the zone, depending on the species and the zone. Landholders in the South East have expressed a desire to have a harvesting zone operate. This can be easily achieved by conducting a population survey in the area. A population survey has already been completed in Bombala.

Secondly, through LLS and DPI we will support landholders who are experiencing pressures from kangaroos to connect with commercial harvesters. This is a win-win situation as it will create new business opportunities for harvesters, while also providing landholders an additional tool to manage kangaroos.

Allowing landholders to utilise carcass

We are also removing the existing 'shoot and let lie' conditions. This will allow for the personal use of carcasses and increase the participation of recreational hunters, while reducing biosecurity risks.

INTERGOVERNMENTAL AGREEMENT

Is there any update on the future of the intergovernmental drought agreement?

The NSW Government remain committed to the continuation of the intergovernmental agreement on drought.

Our current NSW Drought Strategy was developed in line with the existing drought IGA and we have requested that the new agreement be developed as soon as possible.

Once this has been done, NSW will refresh its Drought Strategy to focus on some of the key themes that rural communities' are raising with the Drought Coordinator.