



The Hon. Tony Burke MP

Minister for Agriculture, Fisheries and Forestry

Senate F&PA Committee

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Inquiry: Budget Estimates

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Witness Name: Sen Ronaldson

Organisation:

Ms Sarah Henderson MP
Member for Corangamite
PO Box 20
BELMONT VIC 3216

Sarah
Dear Ms Henderson

Thank you for your letter of 26 March 2010 about Exceptional Circumstances (EC) and seasonal conditions in the Golden Plains Shire in south-west Victoria.

The Australian Government accepted the advice of the National Rural Advisory Council that EC assistance was no longer warranted in the South Western Victoria EC-declared area. The council's EC review process is independent from government and is targeted at establishing whether seasonal conditions have improved since the original exceptional event, and if so, whether there has been sufficient opportunity for the majority of farmers in an area to begin to carry out farming practices that are typical for the area.

The council undertook its inspection of the South Western Victoria EC area on 5 and 6 November 2009 and considered all the data and information available to it and met with a range of producers right across the EC area. The council considered advice from the Bureau of Rural Sciences, the Australian Bureau of Agricultural and Resource Economics, and the Victorian Department of Primary Industries.

With regard to its on ground inspection of the EC area, the council relies on the state government to develop the itinerary. This is because the original EC application, including the area boundary, is the responsibility of the state government.

Under the existing, agreed arrangements, state and territory governments are able to submit a revised application for EC assistance for previously declared areas or parts of those areas. I have indicated that I would immediately refer any new applications for EC assistance to the council for its assessment.

The Australian Government recognises that some farmers may continue to suffer significant financial hardship after EC declarations expire. For this reason, I introduced the Transitional Income Support program in June 2008 to provide short-term income support to those farmers in serious financial difficulty. The program provides income support at the same rate as the Newstart Allowance. Farmers can contact Centrelink on 1800 050 585 to obtain more information and to discuss their eligibility for this program.

The government also recognises that the existing drought support system is not working for farmers and is considering the details of possible reforms to the system. We want to help farmers prepare in good years for future challenges, rather than waiting until they are in crisis to offer assistance. New drought policy arrangements have not been settled and the current EC arrangements remain in place.

Thank you for bringing the concerns of the people of the Golden Plains Shire to my attention. I trust this information is of assistance.

Yours sincerely



Tony Burke