

OPENING STATEMENT**NORTH QUEENSLAND LIVESTOCK INDUSTRY RECOVERY AGENCY**

My name is Shane Stone, Chairman of the Advisory Board and Chief Executive Officer of the North Queensland Livestock Industry Recovery Agency. I wish to make an opening statement so that you have a sense of the scope of what we're dealing with and how we have gone about ensuring a timely and well-coordinated response since the catastrophic flood event in north Queensland.

I have lived in the north for decades, I have experienced everything that nature can serve up: cyclones, floods, fires. This is what comes of living in the north: you are of the north, not just in the north. The sweltering heat, at times unpredictable weather events, the isolation, cost and vast distances can be confronting. Banjo Paterson and Henry Lawson wrote of the "ever-madd'ning flies" and "mighty rivers with a turbid, sweeping flood".

Senators I remain passionate about repairing and developing the north in the national interest; I believe in the people who take their chances in remote Australia. Families get knocked down, get back up and stoically accept their lot. Doreathea McKellar wrote in her famous poem My Country "of droughts and flooding rains"; the "beauty and her terror". Terror indeed: a body of water more than 15,000 square kilometres - over 700 kilometres in length and up to 70 kilometres wide and moving at speed¹.

Between 25 January and 14 February this year North, North West and Far North Queensland experienced twelve days of continuous heavy rain, low temperatures, constant winds and a wall of water in the Flinders and Norman river basin. This devastated the North and North West regions of Queensland. The devastation extended from Burke Shire in the west, Winton in the south and as far east as Townsville on the coast of the Coral Sea. 39 local government areas were activated under disaster funding recovering arrangements.

¹ Source: Queensland Government, North and Far North Queensland Monsoon Trough—State Recovery Plan 2019-2021

The region suffered unprecedented losses, totalling an estimated \$5.68 billion in social and economic costs². Stock losses were as high as 100 per cent on some properties and estimates to date indicate that several hundred thousand cattle, sheep and goats perished. There was also significant losses to cropping and horticulture businesses and extensive damage to critical infrastructure, including at least 10,000km of fencing, stock watering infrastructure, some 6,420km of state roads and 15,000km of on-farm roads³.

The flow-on effects to local businesses, communities, economies and the environment were, and remain, significant.

The hit to the economy has been substantial. According to the Queensland Government, insurance claims lodged have a combined value of \$1.132 billion, damage to roads and essential public assets is around \$800m and direct impacts to small business estimated in the many tens of millions⁴. The financial impacts for primary producers in particular are likely to be felt over a number of years due to the loss of breeding stock as well as cattle and sheep that were being readied for market in the short to medium term.

But most important is the human impact. I have seen hardened cattlemen brought to tears as they describe their livelihoods being washed away. Many of them had endured years of drought before their herds were wiped out by the flood. People in these communities are still reeling from the scale of the disaster. Many people have already sought psychological assistance and there will be more support needed.

The Prime Minister acted quickly to establish the North Queensland Livestock Industry Recovery Agency on 1 March 2019, on the same day he announced that I would lead the Agency. The role of the Agency is to assist with immediate recovery efforts and, importantly to work with communities to develop a long-term plan to rebuild the region, with an initial focus on what we can do for primary producers.

My focus has been to get into the affected communities. The distances are vast but already, I've managed to get to those local government areas most impacted by this event. I have made it my business to see the damage firsthand and hear the stories of devastation, of

² Source: Deloitte Access Economics: The social and economic cost of the North and Far North Queensland Monsoon Trough (2019)

³ Source: Queensland Government, North and Far North Queensland Monsoon Trough—State Recovery Plan 2019-2021

⁴ Source: Queensland Government, North and Far North Queensland Monsoon Trough—State Recovery Plan 2019-2021

heartbreak and of what is needed to help get impacted communities and businesses back on their feet.

I'm pleased to say that we hit the ground running – within a fortnight of the announcement, Agency staff and I were on the road visiting Cloncurry, McKinlay and Julia Creek. In September, we travelled over 4,200km across the affected areas, visiting the local government areas that have been most impacted by this event. We spoke to primary producers, community organisations, small business owners, industry bodies and Queensland and local government representatives. We want to make sure, beyond any doubt, that we are reaching the right people, and visiting properties in the most affected regions to hear, firsthand, what impacted people and communities need - both in the recovery stage and building strengthened resilience to such events in the future.

For both the immediate response efforts and the longer term recovery our mantra has always been *locally developed, locally understood and locally implemented*. This ensures we are delivering the right support at the right time to those impacted by this unprecedented event.

As at 1 November 2019, the Australian Government has made available more than \$3.3 billion in support measures including:

- \$100 million to deliver enhanced Special Disaster Assistance Recovery Grants to primary producers and small businesses and not-for-profits
 - 1755 primary producer grants of up to \$75,000 have been paid totalling more than \$92 million; and 766 small business and not-for-profit organisation grants of up to \$50,000 have been paid totalling more than \$10.8 million,
- \$11 million to 11 Local Government Areas (\$1 million each),
- \$300 million to deliver restocking, replanting and on-farm infrastructure grants of up to \$400,000 (matched dollar for dollar) (over \$32.7 million has now been approved for 109 applicants),
- \$1 billion in AgRebuild Loans, that are now available to primary producers through the Regional Investment Corporation,
- \$1.75 billion made available for concessional loans directly to Authorised Deposit-taking Institutions,
- \$4.8 million in education support to non-government schools with students from affected areas, and to support isolated students,

- \$5 million for the management of Prickly Acacia,
- \$2.6 million for mental health support to the Northern and Western Queensland Primary Health Networks and Phoenix Australia,
- \$40.2 million for two new radars in Maxwellton (near Julia Creek) and Charters Towers and their supporting rain gauges (over 20 years), and
- a further \$121 million was paid to the Queensland Government to cover 50 per cent of the cost of its Category C and D Monsoon Trough Package under the DRFA.

Our programs are making a difference. Despite its name, the Agency's remit extends well beyond livestock and encompasses all primary production, small business and community considerations in the flood affected areas.

- Along with the Prime Minister, I visited Gary Stockham's sugar cane farm in Giru on 8 August. The floods dumped silt on the cane, ripped out his main irrigation pipe and destroyed his roads. Gary accessed the \$75,000 Special Disaster Assistance Recovery Grant to help repair the damage, and was appreciative of how easy the process was, and how quickly he was able to access the assistance.
- Graeme Armstrong lost 50 per cent of his beehives when the flood event hit Ayr. He used the \$75,000 Special Disaster Assistance Recovery Grant to pay wages and cover the cost of cleaning and repairs, which has assured his business's ability to provide pollination services to fruit and vegetable farmers across North Queensland.
- In Townsville, Michael Bulley used the \$50,000 grant for small business to clean up and refit his Donut King outlet. Without that support, his shop would probably not have reopened, and he's grateful for the country's "life-changing" support when he needed it most.

Stories of local producers and community members like this embody the human face of the region's determination to pick themselves up and get back to business – supporting themselves and their local communities. They are proof of what the Agency can help people and communities achieve by offering the right assistance at the right time.

To support its complex and broad agenda the Agency has established an Advisory Board, whose members have extensive on-the-ground industry experience, as well as experience in government and non-government organisations. The Board has met 11 times in the past 9 months, including in the affected regions of Townsville, Winton, Mossman, Karumba and Cloncurry. Within a week of being re-elected, Prime Minister Scott Morrison met with the

Board at Cloncurry, where he acknowledged the value of their contribution to the Agency in providing advice to Government on how existing and new policies and programs can best support recovery and reconstruction efforts.

Looking ahead, the Agency will produce and implement a strategy for the long-term recovery and strengthened resilience of flood impacted areas of North Queensland. This long-term strategy will focus on locally-led solutions that will help the region to be better informed and prepared for future natural disasters. We are consulting widely with the people who'll benefit most from the strategy.

The Prime Minister has highlighted the Agency's responsiveness, direct engagement and effective collaboration with Queensland and local governments as making a crucial difference to the lives and livelihoods of middle Australians, demonstrating that Government can be there for them when they need it most.

The Agency is uniquely positioned to deliver strategic leadership and to coordinate the Commonwealth's contribution to the reconstruction and future resilience and prosperity of North Queensland.

It is with this compassionate and congestion-busting attitude that we will continue to have conversations around kitchen tables and walk paddocks and fields with farmers, standing by our communities as they rebuild and contribute to the country's economy. Recovery will take months, and in some cases years given the scale of devastation from this event.

Thank you.

The Hon. Shane L Stone AC QC

Chief Executive Officer and Chairman

North Queensland Livestock Industry Recovery Agency

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