

## **Submission to Australian Reconstruction and Development Board**

I have been farming with my husband since 1975 north east of Northampton in Western Australia known as Ogilvie. During this time i have seen the severe droughts of 1976 and 1977 from there to 2006 and 2007 we had good, bad and average years, now again in 2012 and 2013 we have had probably not severe drought but very rough years.

I have been involved with making the farm budget work over most of these years, but we have got to the point where you think enough is enough, why are we doing this if the Government of Australia and Western Australia really do not want farmers of all kinds in Australia. Do the residents of Australia really want to eat imported foods - NO, but until something is done to support the industry then soon they will be having all their food sources coming in from overseas, and these countries do not have the strict regulations that we have here in Australia.

The Government think that Farm Management Deposits are the answer, if you are in a tight financial situation then how are you going to put money into FMD's and if you have a good year you usually have so much debt strangling you that you do not have any spare for such things. THEN when you bring them in they cause a taxation problem.

My thoughts on helping the industry is when a farmer of any kind is carrying drought debt and i do not mean loans for machinery or new land, then surely the Australian Government could allow them with the aid of a Consultant and Accountant to work out this figure and it is not that hard anyway and pay some of the loan back and not get strangled with TAX. This happened to us in 2008, we had a bumper of a year huge debt after the droughts of 2006 and 2007 (excluding machinery) but the Tax man took the excess and sadly nothing was paid off the loan which has since increased. These debts are what is hurting our industry, plus of course the fluctuation of prices, fertiliser, sprays etc go up and up and income goes up and down continuously. How can you farm with the way income fluctuates, does the man in the street going out to a day job have the same fluctuation in his wages - NO.

In the farming area where we are within a 100 km radius we have seen so many farmers disappear and neighbours purchase the land to the point now where there is land on the market that cannot be sold because of the financial situation farmers are in. I might say it is a reasonably reliable area as well.

Now in Western Australia our Rural families are having to find extra funds to send their children off to Boarding school for an extra year, and since our children went to Boarding school costs of multiplied many times. Most of these families are also not eligible to get help if a child chooses to go onto further education like University. Maybe this needs looking at as well to help these rural families struggling.

Governments in the past when supplying drought aid have given it to Financial counsellors and the like to help farmers, this money needs to go direct to the farmer, Farmers these days are very intelligent people and probably more knowledgeable than some of these and have the experience. They also provide money for "Feel good parties" where Local Councils can give an organisation money to hold an event in their communities - guess what - who ends up organising these and half the time the farmers really have not got spare cash for the fuel to get there. Its time our Government got real about Australian Agriculture and stands by the industry.

Heather Allen  
Northampton