
Draft recommendations

DRAFT RECOMMENDATION 6.1

Exceptional Circumstances relief payments should be terminated, with the last year of eligibility for those in EC areas being 2009-10.

DRAFT RECOMMENDATION 6.2

Exceptional Circumstances interest rate subsidies should be terminated, with the last year of eligibility for those in EC areas being 2009-10.

DRAFT RECOMMENDATION 6.3

States and territories should, as previously agreed, terminate transactions-based subsidies, effective by 30 June 2010.

DRAFT RECOMMENDATION 7.1

The objectives of the Australia's Farming Future initiative should be revised and expanded to the following:

- *assist primary producers to adapt and adjust to the impacts of climate variability and climate change*
- *encourage primary producers to adopt self-reliant approaches to managing risks*
- *ensure that farm families in hardship have temporary access to a modified version of income support that recognises the special circumstances of farmers.*

DRAFT RECOMMENDATION 8.1

Significant public funding should be directed to research, development and extension to assist farmers prepare for, manage, and recover from the impacts of climate variability and change.

DRAFT RECOMMENDATION 8.2

The contribution of rural financial counsellors to greater farmer self-reliance should be reviewed to assess:

- *the institutional barriers to the provision of private sector financial advice services in rural and remote regions*
- *the extent to which the scheme's case-management provides for referrals to other relevant services in a timely manner*
- *how services might be better targeted to instances where alternatives are not available.*

DRAFT RECOMMENDATION 8.3

Significant public funding should be directed to a continuous learning program, incorporating the successful elements of the former FarmBis within the Farm Ready platform. The revised program should encompass advice and training for managing climate variability and for farm business management. Funding should be provided in the form of a subsidy which covers a proportion of the cost of training, with the recipient contributing the balance.

DRAFT RECOMMENDATION 8.4

The Farm Management Deposits scheme should be retained with its current cap of \$400 000 and no widening of its eligibility criteria.

DRAFT RECOMMENDATION 9.1

All farmers facing hardship should have access to temporary income support designed for farm circumstances. It would provide income at Newstart levels, subject to:

- *an overall asset cap, inclusive of the value of the farm house, beginning at \$2 million with a taper to \$3 million*
- *a liquid asset sub-cap of \$20 000 (inclusive of bank balances and Farm Management Deposit balances)*

and be conditional on the applicant:

- *seeking independent financial advice on the viability of the business*
- *developing and carrying out a plan of action to improve self-reliance*

and on eligibility being reviewed, payments acquitted and plans updated, every six months.

The scheme should be limited to a maximum claim of three years out of seven. It should commence on 1 July 2009.

Governments should ensure that there are adequate programs to assist those considering leaving farming, including counselling, training suited to earning off farm income and the recognition of prior learning.

DRAFT RECOMMENDATION 10.1

The Exceptional Circumstances (EC) declaration process should be terminated. No new areas, full or interim, should be declared and current declarations should cease by 30 June 2010. In areas that remain declared, recipients of EC assistance should continue to receive assistance until declarations terminate, but not beyond 30 June 2010.

