

DROUGHT POLICY REVIEW  
EXPERT SOCIAL PANEL

---

**Assessment of the social impacts of drought and  
related government and non-government social  
support services**

*Issues Paper*

**June 2008**

## Welcome

I am very pleased that the Hon. Tony Burke MP, Australian Government Minister for Agriculture, Fisheries and Forestry, has appointed me as Chair of the Panel to review the social impacts of drought. I am joined on the Panel by people with a strong grounding in rural and regional issues, coupled with expertise in social sciences, rural health, welfare and community services.

We all know that living in the bush can be tough at the best of times, but what the Panel is really looking at is how drought impacts on the social fabric of our rural families and communities, including education, training, community development and sustainability, employment opportunities, health and well-being.

As a part of the Panel's work, the Minister has asked us to do two things. First, that we assess the social impacts of drought on farm families and rural communities and second, that we identify any gaps and areas for improvement in related Australian, state and territory government and non-government social support services designed to alleviate the social impact of drought on farm families and rural communities.

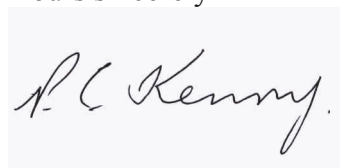
The best way for the Panel to do this is to hear as many stories as possible from individuals, groups and organisations, so that we can get a wide range of views from across the country. The Panel is also seeking hard evidence to support its findings. I therefore encourage you to submit research and data to support your story and submission.

There are two ways that you can have your say on the social impact of drought. A series of public forums are being held in rural communities across Australia, that I encourage you, your neighbours and your colleagues to attend. Unfortunately, we won't be able to make it to all towns—so if you are unable to attend a forum, please make a written submission to the Panel by Friday 8 August 2008.

For further details on the public forums and assistance with your submission, please telephone 1800 200 876 or visit [www.daff.gov.au/droughtpolicyreview](http://www.daff.gov.au/droughtpolicyreview).

This review is an important opportunity for you to contribute to future drought policy development. To do that, we need to hear from you.

Yours sincerely

A handwritten signature in black ink that reads "P. C. Kenny". The signature is written in a cursive style and is placed on a light grey rectangular background.

Peter Kenny  
Chair, Expert Social Panel

## Table of Contents

Introduction.....	4
Social impacts of drought on farm families and rural communities .....	5
Issues for consideration .....	6
Education and training .....	6
Community development and sustainability .....	7
Families .....	7
Employment and professional development.....	8
Mental and physical health.....	8
Appendix A - How to make a submission to the Panel .....	9
Appendix B - Terms of Reference .....	10
Appendix C - The Panel .....	12
Appendix D - Examples of government drought social support services .....	13

## Introduction

As part of its 2007 election commitments for primary industries, the Australian Government indicated that it was time to reconsider the meaning of drought and exceptional circumstances in a changing climate.

Earlier this year, Australian primary industries ministers agreed that the current approaches to drought and exceptional circumstances are no longer the most appropriate in the context of a changing climate. Ministers also agreed that drought policy must be improved to create an environment of self-reliance and preparedness and encourage the adoption of appropriate climate change management practices.

As part of the review of drought policy, there will be three assessments that cover the social, climatic and economic dimensions of drought. The aim of the assessments is to establish a base-line of information from which all governments can move forward and determine appropriate drought policy and program responses to improve drought preparedness and risk management in response to a changing climate.

This paper has been developed as part of the social assessment, which aims to report on the social impacts of drought on farm families and rural communities and examine the social support services available to mitigate the impact of drought for farm families and rural communities.

The Terms of Reference for the social assessment can be found at Appendix B.

The social assessment will not examine the appropriateness, effectiveness or efficiency of government business support measures, such as Exceptional Circumstances Interest Rate Subsidy and Exceptional Circumstances Relief Payments, as they fall within the terms of reference for the economic assessment by the Productivity Commission. For more information on the Productivity Commission's assessment, please visit [www.pc.gov.au/inquiry/drought](http://www.pc.gov.au/inquiry/drought).

The social assessment is being led by an Expert Social Panel that will consult widely with key stakeholders in the rural and regional sector regarding the social impacts of drought. The names and biographies of Panel members can be found at Appendix C. The Panel will obtain the views of interested parties via public forums in regional areas, and will also be calling for written submissions.

The Panel will report to the Minister for Agriculture, Fisheries and Forestry by 30 September 2008.

## Social impacts of drought on farm families and rural communities

Regardless of climatic conditions, a community's well-being relies on individuals and families having an opportunity to lead healthy and safe lives, with access to a range of business, health, community and family support services. Equally important is access to good quality education and training, employment and cultural development opportunities. The success of communities also depends upon the ability of people to live well together, develop a positive community identity, and pursue personal and collective goals.

A community's capacity to maintain these ideals whilst dealing with the impacts of prolonged drought can be affected by its ability, organisation, attitude, skills and resources.

The social dimensions of drought are wide-ranging and typically compound problems that may have already existed within the community. For example, if a community is experiencing a shortage of health, education, housing or employment resources, then the effects of drought will place further strain on those limited resources and affect the ability of providers to deliver effective services.

A degree of stress is normal in life and most rural people are experienced in coping with droughts and various other difficulties. However, a prolonged drought represents a time of major change and crisis for many in rural communities.

Research indicates that social impacts as a result of drought on individuals, families and communities may include:

- people being reluctant to get involved in community activities
- a decline in traditional industries
- volunteer stress or burnout, or an inability to even have a volunteering effort
- the need to and or ability to seek off-farm work
- increased financial pressures
- a decline in the health (both physical and mental health) of individuals and their families
- dealing with questions of whether to leave the farm and/or problems associated with succession planning
- a loss of local farm labour
- an inability to leave the property because of the demands of feeding and water regimes
- the local economy impact from a postponement of capital purchases as a result of drought
- a general increase of working hours with little opportunity for recreation and family time.

How individuals, families and communities deal with these challenges depends on the provision of services, infrastructure and the way they improve relationships, a sense of spirit and hope.

## Issues for consideration

This issues paper has been developed to seek your views on the social dimensions of the impacts of drought and the provision of related government and non-government social support services for farm families and rural communities during drought.

The Panel recognises the scope of its Terms of Reference (available at Appendix B) is wide-ranging and touches the lives of many people in different ways. Moreover, the Panel also recognises that some social support services in rural and regional communities are not necessarily drought-driven and form part of broader social policy and delivery. However, the Panel is seeking your feedback on the need for or provision of drought specific programs, services, activities, strategies and initiatives available to farm families and rural communities during periods of stress and change caused by drought.

For the purposes of discussion, this paper has grouped the social impact of drought around five key areas: education and training, community development and sustainability, families, employment and professional development, and mental and physical health. A short discussion on each of these now follows in no specific order of priority or importance.

### ***Education and training***

In drought, workloads on the farm may increase and income decrease. This can make it more difficult for individuals to afford or attend education and training services.

Education, training and lifelong learning contribute to building healthy regions and a healthy national economy. Education facilitates both personal and community development by enabling people to develop their talents, interact with others and share their knowledge and experiences.

Increasing the level of participation in educational and training activities in rural and regional areas has two distinct benefits. For industry, it ensures that there is an ongoing supply of adequately skilled and productive labour (human capital) and for individuals, it increases job opportunities and social interaction.

#### ***Key questions***

- *What is your experience of drought and its affect on educational and training services in rural Australia?*
- *In what ways could education and training programs and policies be better adjusted to address the specific impact of drought?*
- *What types of successful initiatives have you or your organisation accessed or developed to overcome the barriers of drought on education and training?*

## ***Community development and sustainability***

Social sustainability in rural communities is relevant to all individuals, families, organisations and businesses. It is about maintaining and improving the quality of life for current and future generations.

Strong rural communities are critical to how people live and feel about the future and drought can impact on how successfully a community functions. Drought may contribute to rural depopulation, reduced economic status and the way in which people work together as friends, neighbours and colleagues. This has implications for local services, education and health. Such impacts can also reduce the level of skills, labour and professional services supporting rural industries and the community. Apart from the effects on individual families, drought impacts on the community as social capital (the ‘glue’ that holds a community together) decreases and cohesion and adaptability diminish.

### ***Key questions***

- *What is your experience of drought and its affects on community development and sustainability in rural Australia?*
- *In what ways could community development and sustainability programs and policies be better adjusted to address the impact of drought?*
- *What types of successful initiatives have you or your organisation accessed or developed to overcome the impacts of drought on community development and sustainability?*

## ***Families***

A majority of farms in Australia are family owned and operated. An inevitable consequence of drought is that farm families, as well as families within the local community, will experience significant business and personal stress.

Drought results in financial, emotional and physical workload stress which can impact on the well-being of farm families. These issues are compounded when broader welfare, generational, succession planning and structural adjustment decisions also need to be made.

### ***Key questions***

- *What is your experience of drought and how it affects families in rural Australia?*
- *In what ways could programs and policies be better adjusted to address the specific impact of drought on families?*
- *What types of successful initiatives have you or your organisation accessed or developed to overcome the barriers of drought on families?*

## ***Employment and professional development***

Regardless of drought and climate change, the prospects of employment in agriculture are good and the industry has a vibrant future as it successfully responds to other issues such as improving productivity, innovation, market access, trade and research. Across Australia as a whole, the combined unemployment rate (as of May 2008) is at a near 34 year record low of 4.3 per cent, and demand for labour remains strong.

However, drought and the decline in income associated with it can lead to a reduction in employment in rural areas. Decreased production, yields and water availability can contribute to farmers and workers leaving rural areas to seek employment and career opportunities elsewhere. This problem may sometimes be compounded where other industries are competing for employees. Post-drought the challenge then becomes to attract past employees back to farming.

The pressures of drought can also require farmers or their family members to seek off-farm employment to supplement income. While off-farm employment can be used as a successful farm risk management strategy, it can also bring about increased personal and family pressure through time spent away from the farm and family members as well as reduced leisure time.

### ***Key questions***

- *What is your experience of drought and its affects on employment and professional development in rural Australia?*
- *In what ways could employment and skilling programs and policies be better adjusted to address the specific impact of drought?*
- *What types of successful initiatives have you or your organisation accessed or developed to overcome the barriers of drought on employment and professional development?*

## **Mental and physical health**

Healthy and productive communities often have strong social networks and an active calendar of social and charity events. Good health and well-being is ultimately the responsibility of all of us, with individuals, communities, health service providers and government all playing a part.

Rural Australians are well known for their resilience in times of difficulty and uncertainty. However, drought places increased stress on farming families and communities as workloads increase and income decreases. Farmers are generally ageing, working harder and longer and increasingly relying on family members to provide the extra labour needed to cope. This increases the risk of accidents and may affect mental health.

### ***Key questions***

- *What is your experience of drought and its affects on mental and physical health in individuals or services in rural Australia?*
- *In what ways could mental or physical health programs and policies be better adjusted to address the specific impact of drought?*
- *What types of successful initiatives have you or your organisation accessed or developed to overcome the barriers of drought on mental and physical health?*

## How to make a submission to the Panel

The Expert Social Panel wants to hear how drought has had an impact on the social well-being of rural communities and farm families. Wherever possible, the Panel would like to substantiate its consultation findings with research, data and any other supporting information.

While it is up to individuals and organisations to decide what to include in your submission, the Panel requests that longer submissions include a concise summary of key points. It is also suggested that individuals and organisations consider using the key questions posed in this paper as a potential guide to formulating the content of your submission.

**Please provide the following detail when making your submission:**

### Individual submissions:

Name:	
Address:	
Have you also attended an Expert Social Panel public consultation forum?	Yes / No If yes, where was it _____

### Submissions lodged on behalf of organisations:

Name:	
Organisation:	
Position in organisation:	
Organisation address:	
Have you also attended an Expert Social Panel public consultation forum?	Yes / No If yes, where was it _____

**Post to:** Secretariat  
Expert Social Panel  
Drought Policy Review  
GPO Box 858  
CANBERRA ACT 2601

**Fax to:** 02 6272 3027

**Email to:** [droughtpolicyreview@daff.gov.au](mailto:droughtpolicyreview@daff.gov.au)

The closing date for submissions is close of business **Friday, 8 August 2008**.

Written submissions will, at the discretion of the Panel, be published on the Department of Agriculture, Fisheries and Forestry website. Please indicate when lodging your submission if you do not want your submission published.

For further advice on how to lodge your submission call the Panel Secretariat on **1800 200 876**.

### Terms of Reference

#### Assessment of the social impacts of drought

##### Background

Government assistance for drought events is guided by the current National Drought Policy (NDP). Under the NDP, drought assistance or support is intended to be a short term measure to help farmers prepare for, manage and recover from drought. The objectives of the NDP are to:

- encourage primary producers and other sections of rural Australia to adopt self-reliant approaches for managing a changing climate
- maintain and protect Australia's agricultural and environmental resource base during periods of extreme climate stress; and
- ensure early recovery of agricultural and rural industries, consistent with long-term sustainable levels.

Although self-reliance is a key objective, the NDP also recognises that there are rare and severe events that are beyond the ability of even the most prudent farmer to manage. The Commonwealth Government provides support to farmers and rural communities under the Exceptional Circumstances (EC) arrangements and other drought programs. The state and territory governments also participate in the NDP and provide support measures of their own.

To be classified as an EC event, the event must be rare, that is, it must not have occurred more than once on average in every 20 to 25 years. Australia is experiencing a drought that has been unprecedented in its geographic extent, length and severity. Some areas have been drought declared for 13 of the last 16 years, leading to some recipients receiving EC assistance since 2002.

Climate change will bring with it significant challenges for Australian agriculture. Climate change is expected to increase the frequency, severity and length of drought periods in future. It will also have impacts on rural communities that are dependent on primary industries. Australian primary industries ministers have agreed that current approaches to drought and EC are no longer the most appropriate in the context of a changing climate. They agreed that drought policy must be improved to create an environment of self-reliance and preparedness, and encourage the adoption of appropriate climate change management practices.

To improve drought policy, ministers agreed to consider:

- relevant social dimensions and policy responses to drought and Exceptional Circumstances
- the provision of accessible social welfare support, including eligibility criteria
- the effectiveness of business support payments
- the effectiveness of financial risk management strategies, including Farm Management Deposits
- the effectiveness of preparedness policies; and
- cost-benefit analysis of state and federal drought assistance.

This assessment, by an expert panel, will analyse the social dimensions of the impacts of drought and the range of current government and non-government social support services available to farm families and rural communities during periods of stress and change. It will also take into consideration the cultural and social issues that may impact on the capacity of farm families and rural communities to improve self-reliance and preparedness and better manage change.

This assessment, as part of a review of drought policy, will support the Productivity Commission's inquiry into the appropriateness of current government drought business support and income support measures. The Commission's inquiry will also be supported by an assessment by the Bureau of Meteorology and Commonwealth Scientific and Industrial Research Organisation of what a changing climate means for drought in Australia and the appropriateness of using the concept of exceptional climatic circumstances to trigger the availability of assistance measures.

### **Scope of the assessment**

This assessment will report on:

1. The social dimensions of the impacts of drought on farm families and rural communities.
2. The objectives, extent and range of Commonwealth, state and territory governments' and non-government social support services, including counselling and advisory services, available to farm families and rural communities during periods of stress and change such as drought.
3. Gaps in the application of Commonwealth, state and territory governments' and non-government social support services for mitigating the impacts of stress and change such as drought on farm families and rural communities.
4. Possible social support services for mitigating the impacts of stress and change such as drought on farm families and rural communities.

This assessment will not examine the appropriateness, effectiveness or efficiency of government drought business support and income support measures.

### **Nature of the assessment**

Extensive public consultation, throughout rural Australia, will be a key aspect of the expert panel's work. The panel will consult government and non-government agencies, including those with social and community responsibilities.

In undertaking this assessment, the panel will draw on existing research and may consult social researchers. The panel will have the capacity to engage analytical support as it sees fit. The Department of Agriculture, Fisheries and Forestry will provide secretariat services to the panel. The panel will provide a final report to the Minister for Agriculture, Fisheries and Forestry in September 2008. The panel's report will be released by the government.

## Appendix C

### The Panel

Name	Position	Biography
Mr Peter Kenny	Chair	President AgForce Queensland, board member of the National Farmers' Federation, cattle producer in Queensland.
Ms Sabina Knight	Panel member	Senior Lecturer Remote Health Practice, Council of Remote Area Nurses of Australia (CRANA) research fellow. Alice Springs NT
Professor Daniela Stehlik	Panel member	Foundation Chair in Stronger Communities at Curtin University of Technology, inaugural Director of the Alcoa Research Centre for Stronger Communities. Perth. Western Australia.
Mr Mal Peters	Panel member	Principal of a family farming enterprise in northern NSW, board member of the Australian Farm Institute, former President of NSW Farmers Association.
Mr Barry Wakelin	Panel member	Former member for the electorate of Grey, South Australia for 14 years, former Chairman for the Standing Committee on Aboriginal and Torres Strait Islander Affairs.
Ms Sue West	Panel member	Chair, Anglicare. Western New South Wales, former Senator for New South Wales, has a farming background.
Mrs Lesley Young	Panel member	National President Country Women's Association of Australia, mixed farming operator in Tasmania, former Chairperson Rural Financial Counselling Service Tasmania.

## Examples of government drought social support services

Australian Government
Health Care Cards
Youth Allowance and Austudy means test concessions
Country Women's Association (CWA) Emergency drought aid fund 2006-2008
Rural financial counselling service
Declared drought area incentives
Access to JobSearch support
Early access to Intensive Support (job search training)
Drought Force
Flexible arrangements for Newstart allowance
Social and emotional counselling through Family Relationships Services Program
Local Answers
Just ask – a national rural mental health information service
Regional Health Services
New South Wales
Assistance for farm families
Drought household payments
Mental health services
Queensland
Crisis care services
Queensland DPI&F drought hotline
Farm financial counsellors
Rural family support service
South Australia
Drought link hotline and website
Financial mediation
Mental health support printed information
Additional rural financial counselling support
Community support grants
Concessions and remissions for drought affected families
School expense initiatives
Farmer peer support network
Early intervention and education for rural teachers and parents
Drought relief rural community counsellors
Increased capacity of specialist drought relief rural psychiatric resources
Labour market transition program
Young farmer package
Regional drought coordinators

Victoria
State funded rural financial counsellors
Drought apprenticeship retention
Additional extension for decision support
Business transitioning program
Catchment Management Authority drought employment program 2007-08
Counselling services
Drought relief for community sport and recreation program
Drought relief for tourism marketing campaigns
Emergency volunteer support framework
Local government drought coordinator program
Mental health and early intervention teams
Planning for change
Rural skills connect
Small towns development fund
Synthetic surfaces program

Western Australia
Dry season and natural disaster hotline
2007 Dry season assistance scheme – Community and social support services grants

For more information on each service, please view the Drought Assistance Guide at:

[www.daff.gov.au/agriculture-food/drought/assistance](http://www.daff.gov.au/agriculture-food/drought/assistance)