

FUTURE DROUGHT FUNDING – Submission

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1.0 Existing farming operations – long standing interest-free loan support

As part of the commitment to support existing farming operations, and in recognition of past taxes paid on operational profits, the Federal Government should establish and support such operations with interest-free loan facilities of an amount of 1 year's earnings, based on the previous 3 years of profitable cash flow.

Such interest-free loan facilities are to be repayable to the Federal Government once profitable operations are restored.

2.0 New entrant farming operations – study of profitability options

New entrant farming operations using either non-traditional farm cropping, farms located in non-traditional farm cropping areas or subject to major climate variations, should be closely examined as to viable alternatives to achieve profitability, which could be recommendations to trial different crops, trial different farming practices or change the land use envisaged, to establish viable alternatives. Federal Government support should total more than 1 year's expenditure in cash of the indicative profit streams based on 1 year's returns.

3.0 Unexpected climate change impacts on farming practices

Where non-normal weather and/or climate change effects have impacted on the normal farming practices for a particular area or district, then the provisions of Part 1 should apply.

4.0 Support of R&D to overcome farming outcome and climate change impacts

Federal funding up to 5% of the indicative profits of farming activities in a particular area should be made available for R&D and/or projects like 'Roads to Recovery' for a particular area to ensure long term viability and profitability are supported.