

## **Attention Drought Review Committee.**

Submission from Colin and Mary Fenton

Principal contact Mr Colin Fenton.

My wife and I wish to lodge our own personal submission with regards to the Drought.

We have experienced several SEVERE drought during our life time of Farming in Gannawarra Shire. 1967 1982 and 2002 2007 and now 2008.

After each occurring drought Government of the day have arranged reviews of the situations faced and as yet have not been able to present a detail review of their findings that actually embraces the full consequences of the prevailing drought.

Government of the day expect farmers to be better prepared for another drought. This is impossibility in our estimation as the terms of Trade and Returns for Farmers who do not **inherit** their property. The returns on urns on farm produce do not allow successful margins necessary to equate this systems success. Whilst endeavouring to purchase land.

Productivity in Northern Victoria for example has been severely eroded by both Drought conditions and Government of the Day policy changes.

For example Irrigation Water being Traded out of the area into other systems and or Purchased by MIS Schemes or water Traders who do not actually OWN any Irrigation property but are their for the financial gains not the Productivity.

We would also like to bring to your notice that Productivity cannot under the present system woven with drought breaking rains impact without Governments changing its Policy and UNDERSTANDS the implications of what has actually taken place.

In basic terms the Incentives have been eroded away from individual Farmers and just like any business when this occurs one face the massive downturn in productivity

On a positive note we commend the following implementation of:

- \$20,000.00 Grant for Irrigation improvements. In MDB criteria
- Reduction of costs being meeting for payment of Shire Rates.
- The Irrigation Fixed charges account receiving assistance for part payment of the account.

All of these Grants not only benefited the whole community but created secondary industry employment

In delivery some of these financial assistance scheme however we have found personally that the Delivery assessment and Outcomes of the Exceptional Circumstances Interest Rates Subsidy is full of Holes in its delivery and success.

We feel that as the criteria and funding is set by Federal Government it should be delivered by a Federal Agency such as Centrelink.

The people who administered and making the decisions at Rural Finance are totally inexperienced and have been wanting in their understanding of what is a viable farmer.

We have knowledge of farmers who applied and received a knock back in Victoria for example and applied for support in NSW and gained the Exceptional Circumstances approval.

We have had personal interviews with Rural Finance and our experience with the lacking of understanding has left us severely scarred. At these interviews we have felt another disposition held by Rural Finance is the pecuniary interest in their existing customer's held greater favour. Not only that there is no mediation or support body available to seek our reasons or qualifying of Rural Finance decisions.

We feel that Federal Government need to come to the decision about what it is they really want. Such as Quality Uncontaminated Food grown in our lands. Continuity of Agriculture. are we going to end up like the Car Industry in Australia for example.

By the way we must make comment here that it is proposed to by Government to end the financial support given to Australian Farmers and justify the \$1 billion spent on propping up the Industry. But \$1 billion is nothing to the \$300 Million to prop up the car industry.

We think that the Exceptional Circumstances Interest Rate subsidy should embrace each and every farmer to a certain amount of money. If it is felt by the Farmer that hiss needs are for a higher level of money then a criteria needs to be implemented then.

But only after the inequality has been eroded away.

Yours faithfully'

Colin and Mary Fenton

21<sup>st</sup> August 2007