

REVIEW OF DRAFT REPORT

INQUIRY INTO GOVERNMENT DROUGHT SUPPORT

By:

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November 2008

DROUGHT SUPPORT

Background:

The Productivity Commission's Draft report into Government Drought Relief Support, released in late 2008, proposes several recommendations.

It is the intention of this brief submission to offer broad general support but will comment on a few aspects where the report needs greater emphasis and some change in direction or extension. Further, criticism is offered on some limited discussion and the lack of policy recommendations on one major point.

The Report:

It is now quite clear that most, if not all reputable scientific organisations and most reputable scientists acknowledge there are real connections between the current drought and the increasing effect of both local and global climate change.

Farmers as a general class of employment are notorious for having conservative outlooks on the cause and affect of climate change but the draft report seems to echo these sentiments. Farmers are the most prolific group in Australia who deny climate change either exists or affects them. It must be acknowledged however, that some farmers are changing their minds and even the National Farmers Federation are beginning to accept the facts. Drought relief as a system of assistance even under climate change reflects a continuation of past practices even when the evidence of climate change clearly shows that drought assistance as it is currently designed is outdated or obsolete.

Within the body of the report are comments on the affect of climate change. Equally the State and Territory Governments and the Commonwealth Government also acknowledge the causes of climate change. Yet nowhere is there any serious policy connection between climate change and its effects on farming. For example, almost all knowledge that climate change science says that climate change will last for decades, if not centuries but our national and state drought policies are based on application and drought criteria with the unspoken hope that climate change and related drought are not connected or this current drought will end shortly like all previous droughts and farmers can get back to 'normal' routine times.

Changing the criteria of application or easing bureaucratic restrictions will not change the policy fundamentals, climate change has caused this drought and it is long-term in its implications despite variations around the globe and in Australia. It clearly affects the total volume of rainfall and snow in the southeast of Australia that has implications for urban consumption and irrigation farming, it opens questions such as do we have too many farmers given the large and semi-permanent reduction in the total supply of water available to farming and related urban areas?

It will increase the average height of sea levels around our coast due to northern polar and southern ice melting yet there are no policy connection between that fact and land-use planning implications on agriculture and urban populations around Australia's coast.

There will be large reductions in snowfalls in the High Country of Victoria and NSW which will impact in a major way on water available for irrigation due to the reduction in water flows from snow melt but again there are no policy connections between it and drought relief or even on the skiing industry.

Climate change reports talks about the increased rainfall in the northern parts of Australia and corresponding floods and flood controls that will be required. One old policy suggestion talked about piping water from excessive rainfall country and out of the large northern rivers and pumped to the water starved southeast of Australia. Granted the commission's draft report is confined to discussing drought relief but related infrastructure policies are not discussed. The policy of piping water has some merit and requires further examination especially cost factors.

Governments talk a lot about climate change but rarely do they connect drought with it as a joint issue and talk about the wider implications of climate change. There is much discussion about the causes of climate change especially about controlling the amount of Greenhouse Gases, but we already have climate change here and now but there is no discussion about dealing with what we now have and removal.

The Commissions draft report offers little in the way of developing policies on climate change as it affects farmers and agriculture. It talks about easing criteria on drought relief and opening options, these points in the wrong direction given the circumstances and continues with dated policy however amended. I do agree with the point about the under-utilisation of exist programmes and easing restrictions.

It is essential to help farmers leave the industry, it is clear climate change has dealt small family farms a possible fatal blow as far as being economical.

There is no end in sight to drought and these cost pressures will grow not reduce. The Government would be far better off using the one billion dollars it spends on drought relief to ease farmers out of the industry rather than finance continuing misery.

The offer of drought relief in the strict terms of economics is stupid when confronted with long-term climate change. This drought is very long-term and will continue, of that there is little doubt. Drought by definition and in current policy determinism is short-term only; it is not a substitute for dealing with what is in effect, a permanent situation of reduction in rainfall in the southeast of Australia. The Commissions terms of reference by the government are far too narrow and restrictive but there should be no impediment to opening up this aspect of drought relief to wider public discussion. The government must change its public utterances and connect climate change with drought and its implications and to begin a public discussion on real solutions.

Farmers are human beings and deserve to be treated as such. The Commission has a large number of its past reports, which have discussed economic solutions to particular problems, have failed to understand it is dealing with people. Productivity is an issue that effect all but removing the human equation or treating people as part of an economic equation has on many occasions destroyed the effectiveness and usefulness of its reports as people have rejected many of its recommendations because of the reports lack of understanding. These narrow interpretations in focussing on economics terms have substantially reduced the Commission's effectiveness. The same thing is occurring within this report; its focus is far too narrow. We need policy recommendations that acknowledge the central core issue of climate change and how to deal with its effects rather than continuing with traditional forms of drought relief. We need policies and recommendations that recognise the human equation rather than catering to bureaucratic requirements.