



**Australian
General Practice
Network**

*Delivering local health solutions
through general practice*

Submission to the Productivity Commission Inquiry into Drought Support

December 2008

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AGPN is one of the largest representative voices for general practice in Australia. It is the peak national body of the divisions of general practice, comprising 111 divisions across Australia, as well as eight state-based organisations. Approximately 95 percent of GPs are members of local divisions of general practice.

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Executive Summary

The Australian General Practice Network (AGPN) wishes to highlight the significant issues of change and adjustment facing many rural and remote communities, particularly the loss of income due to climatic factors and the resulting impact on the health and wellbeing of individual families living in these communities.

The divisions of general practice network implements a number of primary mental health care programs in community and general practice settings. The particular focus of this submission is on the impact of drought on mental health outcomes and on the importance of promoting mental health, resilience and care pathways.

A changing climate, combined with anticipated policy responses around environmental mitigation are key determinants of the mental health and wellbeing of families and communities including their economic and social participation and sense of connectedness.

Reduced incomes for families, particularly in regions where there are climate sensitive industries, are contributing significantly to an increased level of anxiety and depression, social isolation, drug and alcohol (self medication), relationship disharmony and risk of suicide.

The Kenny Report ('It's About People: Changing Perspectives on Dryness') clearly detailed the impact that prolonged dry conditions is having on farming communities, including the social function of farm families through separation, isolation and loss of income, stating: *The Panel is deeply concerned by the extent of distress in drought-affected communities in rural Australia.*

When developing policy responses around the Productivity Commission's recommended termination of Exceptional Circumstances (EC) framework, and in the context of the Garnaut Climate Change Review, AGPN encourages the federal government to keep at the forefront of deliberations, the impact on the mental health and wellbeing of individuals and families in affected communities.

We submit that the federal government's policy framework must be developed against a deep understanding that continuing dry conditions, combined with ongoing change and adjustment issues, are having a profound impact on the social fabric of rural and remote communities, including the health and wellbeing outcomes of individuals in affected regions.

Farming families and communities must be given adequate time to recover financially, transition to alternative income sources to diversify into other businesses, where appropriate, to upskill into new industries and/or to exit farming.

AGPN submits that the *Mental Health Support for Drought Affected Communities Initiative*, embedded in the Divisions of General Practice Network, (detailed in this submission) be retained beyond its terminating date of June 2009, for a further three (3) years, as an early intervention mental health and wellbeing response for rural and remote families and communities.

We submit that the continuation of the *Mental Health Support for Drought Affected Communities Initiative* form a key part of the Health contribution to a whole-of-government response to the drought policy review.

Background to Submission

The Australian General Practice Network (AGPN) is pleased to respond to the issues raised in the Productivity Commission's Draft Report within the Australian Government's Inquiry into Government Drought Support.

Despite suffering the longest dry period in living memory, Australian farming families and communities are continuing to respond to the challenges thrown up at them.

Prolonged dry conditions combined with anticipated government policy responses around a changing climate signal large scale adjustment pressures for people living in rural and remote communities.

Communities along our great river systems are facing the prospect of losing agricultural and associated industries that for decades have been sustained by water and irrigation – industries that have provided jobs in these communities.

These adjustments for agricultural dependent communities against a backdrop of a changing climate, including loss of water access and land use change, present significant uncertainty around the future of some industries and the future livelihood of many rural and remote Australians.

It is well known and widely acknowledged that the financial, social and personal pressures people are facing in rural communities are directly linked to changed climatic conditions and are having a noticeable increased impact on the mental health and wellbeing of individuals and families.

The Kenny Report found that: *Populations in rural and remote Australia generally have poorer access to healthcare services and experience poorer health than people living in major cities. They also have higher levels of mortality, morbidity and health risk factors than those who live in major metropolitan areas.*

A 2008 study, led by Keith Miller from the **School of Social Work at Flinders University**, showed that prolonged drought and increasing social isolation are being blamed for a rate of suicide among male farmers that is almost fifty per

cent higher than the average in rural communities. Figures from the study show 34 in every 100,000 male farmers commit suicide – well up on the 24 per 100,000 among rural men generally.

Most significantly, a survey in 2008 by the **Australian Institute of Family Studies** found that Australia's farmers and farm workers are both poorer and more depressed as a result of the drought. Measuring financial hardship, the survey found that of those farmers currently in drought, 17% had mental health issues, compared to 8% of those who hadn't been in drought in the past three years.

The financial impact of prolonged dry conditions cannot be underestimated. Community workers and not-for-profit organizations in Queensland are reporting families in central and western Queensland de-stocking, closing the gate and walking off their properties, moving into Longreach and other nearby towns to find work.

Often it is women and children who relocate to town, leaving menfolk behind on properties, adding to the sense of despair and loss when families are separated.

And there are countless cases of farmers selling all but breeding stock, moving to town for work and sending their breeding stock away on agistment. For farming families, selling off stock compounds the sense of loss of self worth for farmers when the business of breeding represents years of effort and scientific application; it represents who they are and what they do. Quality herds cannot simply be bought back.

We know of cases in Queensland where children are attempting to maintain their education through the School of the Air while out on the road driving stock with their parents.

The International Journal of Mental Health Systems in an article titled: *Hope, despair and transformation: Climate change and the promotion of mental health and wellbeing: (Jessica G Fritze, Grant A Blashki, Susie Burke and John Wiseman)* published 17 September 2008, states that:

While mainstream debate currently focuses on science and the economic dimensions of climate change, there is also growing awareness of its social costs. There is mounting understanding that the effects of climate change will be disproportionately felt by already vulnerable communities, including people on low incomes and communities directly dependent on their local environment for survival.

The federal government's **Drought Policy Review Panel (Kenny Review)** public forums recently held across regional centres poignantly highlighted the suffering and sense of powerlessness in communities. Words like grief, loss, failure, despair, frustration and anger were frequently used to describe their feelings.

The **ALP's 2007 Election Commitments document** (*Health Budget 2008-09*) states under Rural and Regional Health: *Labor recognizes that the health status of rural communities is directly related to the economic prosperity and opportunities of each community. Depressed economic conditions lead to poorer health and, in turn, place greater strain on the rural health services provided. Labor's commitments to rural health are therefore part of a wider regional and rural policy that aims to restore the economic health of rural, regional and remote Australia.*

AGPN submits that farming families and communities must be supported with financial capacity to transition to alternative income sources to diversity in alternative farming businesses, upskill into new industries and/or to exit farming.

In their September 2008 report titled ***Social Impacts of Drought and Declining Water Availability in the Murray Darling Basin***, **Professor Margaret Alston and Kym Witney-Soanes** note: *Because rural communities are facing year after year of drought, financial pressure and uncertainty, there are significant increases in people's levels of anxiety and stress. This stress can commonly lead to depression.*

And the Commonwealth Department of Health and Aged Care in 2000 noted: *It is generally understood that people from rural and remote*

communities are at heightened risk of mental illness because many of the psychosocial determinants of health are magnified by factors related to remoteness, such as isolation, economic restructuring and unpredictable ecological conditions.

Income, Climate and Productivity Forecasts

Recent income and productivity forecasts for agriculture make stark predictions.

Professor Ross Garnaut releasing his draft report to the federal government on climate change on 4th July 2008, predicted: ‘by 2050 unmitigated climate change on middle of the road outcomes would mean major declines in agricultural production across much of the country, including a 50 per cent reduction in irrigated agriculture in the Murray-Darling Basin. By 2100, irrigated agriculture in the Murray Darling Basin would decline by 92 per cent’.

Early economic modeling results of readily measurable unmitigated climate change for middle of the road outcomes on temperatures and decline in rainfall – indicate that climate change would wipe off around 4.8 per cent of Australia’s projected GDP, around 5.4 per cent of projected household consumption, and 7.8 per cent from real wages by 2100.

In his final report to the federal government titled ***The Garnaut Climate Change Review*** in September 2008, Professor Ross Garnaut notes: ‘*Rural Australia faces pressures for structural change from both climate change and its mitigation.*’

In discussing an emissions trading scheme, Garnaut details both negative impacts for agricultural industries as well as potential new industry opportunities. He outlines the potential for biosequestration across marginal sheep and cattle grazing areas, suggesting that these rangelands have the potential to absorb at least half of Australia’s current annual emissions for several decades, suggesting

significant increase in income for property holders if they were to return these areas to their original shrublands, native tussock grasslands and woodlands.

While there will no doubt be a diverse set of impacts in government policy responses to Professor Garnaut's report, these factors in themselves drive fear and uncertainty, often around lack of understanding, within communities about their future viability.

The Australian Bureau of Agriculture and Resource Economics (ABARE)

warned on 12th May 2008 that: 'the nation's farmers will be forced to deal with some troubling issues. ABARE notes that while dairying receipts will be high, dairy farmers in northern Victoria will be under increasing pressure from low water allocations and surging input costs through the drought.

ABARE also predicted that, on average, broadacre producers in NSW are projected to record a farm business loss of around \$86,000 per farm in 2007-08, as a result of lower incomes, reduced trading and a failure to get the autumn break they needed.

The cash income of beef producers will drop to \$36,000 per farm, less than half what it was two years ago, as cattle farmers rebuilt herds decimated by drought, and grain prices soar for those in feedlots.'

While ABARE's mid year commodity forecasts and projected export earnings (*media release 23 June 2008*) were more optimistic than those earlier in the year, ABARE stated that 'seasonal conditions will be a critical factor in achieving those estimates'.

At the time of writing this submission, we know that some regions in northern New South Wales and southern Queensland have experienced a better than expected grain harvest. Notwithstanding this fact, many of these communities will nevertheless take, in many cases, years to recover financially.

Productivity Commission Draft Recommendations

AGPN notes the draft recommendations of the Productivity Commission, namely:

- the termination of the Exceptional Circumstances (EC) drought declaration process by June 2010
- the termination of EC relief payments, and
- the termination of EC interest rate subsidies for those in EC areas in 2009-10.

AGPN also notes the draft recommendation that hardship cases should have access to temporary income support designed for farm circumstances, providing income at Newstart levels – subject to various eligibility criteria:

- 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 application 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.
- And that the scheme should be limited to a maximum claim of three years out of seven. Commencing on 1 July 2009.

The **National Farmers' Federation (NFF)** in response to the Productivity Commission's draft report (*media release 30th October 2008*) expresses concern at the suggested removal of all financial support and leaving only time limited income assistance (*Newstart payment*), and suggests it would not be sufficient to enable the most competitive (*and the lease subsidized agricultural nation in the OECD*) to manage and prepare for drought and climate variability.

NFF considers the Productivity Commission's recommended 18 month window for transition to a new policy framework as insufficient to successfully develop, implement and communicate a new policy model, particularly given the extreme situation many farm families and communities are in, and also given that the extent and duration of this current drought is unknown.

AGPN welcomes the commitment to *'continuous learning program, incorporating the successful elements of the former FarmBis with 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'*.

AGPN also endorses the recommendation 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'*.

These suggested support mechanisms are welcomed. Farming families must be supported financially with training and education to make their own choices and implement their own changes. A sufficient duration of financial support will also help them to transition to alternative income sources, to diversify into alternative farming businesses, upskill into new industries and/or to exit farming.

We submit that a strategic education campaign for farming families and rural and remote communities around any future implementation of these initiatives will help alleviate any uncertainty and give confidence to those wishing to make appropriate choices about their future.

AGPN endorses the proposal that: *'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'*. We submit that knowledge and education for farming families in areas impacted by a changing climate are imperative, as is education on the impacts of an emissions trading scheme, including information around potential new income generating opportunities.

The recommended retention of the Farm Management Deposits (FMDs) scheme – with its current cap of \$400,000, will be well received. *(Notwithstanding the suggestions from some that the cap should be raised).*

Drought Policy Review

AGPN commends the federal government for undertaking a national review of drought policy to look at the impact of prolonged dry conditions on the economic and social fabric of Australia farming communities. AGPN provided a submission to the Expert Social Panel, chaired by Peter Kenny (*refer AGPN Submission to Drought Policy Review Expert Social Panel: dated August 2008*), and former Chair, Dr Tony Hobbs, met with the Panel in Canberra in August 2008. Dr Hobbs also attended the Productivity Commission roundtable meeting in Dubbo in December and met with Commissioners.

Community Support Workers (CSWs) engaged under the *Mental Health Support for Drought Affected Communities Initiative (detailed later)* attended the series of public forums across drought affected regions, communicating their experience of drought on the mental health and wellbeing of individuals and families. In some instances, CSWs were called upon to offer psychological support to individuals as they publicly and courageously related their personal stories of the impact of drought on themselves and their families.

AGPN notes the report of the Social Panel to the federal government *It's About People: Changing Perspectives on Dryness* and its recommendations. The Panel expressed concern at the extent of distress in drought affected communities, further noting that drought is adversely impinging on the wellbeing of farm families, rural businesses and communities.

The Kenny Report also noted that *'extended dryness has a significant negative impact on the mental health of farm families and others within rural communities'*. The Panel heard that *'the pressures of drought were leading to an*

increase in the incidence of depression, anxiety and stress in rural and remote areas'.

There is no doubt that climatic factors resulting in reduced incomes and broader concern about the future of agricultural dependent communities are impacting on health outcomes in affected communities.

The Australian Government's Rural and Regional Health Workforce Audit delivered in April 2008 showed that rural and remote Australians continue to be disadvantaged in their access to health professionals compared to their urban counterparts. It showed a continuing mal-distribution of health professionals relative to population in all states and territories, in all major health professions.

Responding to the Audit, the federal government committed funding for a range of measures including reforming the remoteness classification structure (RRMA), additional funding for existing rural clinical schools, access to increased specialist services, expansion of the Specialist Obstetrician Locum Scheme, doubling the number of John Flynn scholarships and further funding for clinical placement scholarships for allied health professionals.

Through the More Allied Health Services (MAHS) Program, eligible Divisions are funded to employ, contract or fund allied health professionals in rural communities to increase the number and range of allied health services, creating linkages with GPs and enhancing an integrated approach to health care provision.

A review of the program in 2007 found that MAHS was an effective, appropriate and efficient way to deliver integrated care to address chronic disease and mental illness in a primary health care context where there is limited access to allied health professionals.

We face ongoing health workforce challenges and Medicare alone no longer offers universal access to care, with per capital spending decreasing as rurality increases.

Mental Health Support for Drought Affected Communities Initiative

In 2006, the Australian General Practice Network (AGPN) brought to the attention of the then federal government, the situation facing Australia's rural and remote communities in the face of prolonged dry conditions across many regions, highlighting the mental health impacts on individuals and families.

Significantly, a survey of rural financial counsellors (RFCs) in 2006 found that one in four of their clients needed support with emotional and mental health issues because of financial pressures due to drought. RFCs were facing clients with severe anxiety and depression issues, yet were untrained to respond appropriately.

As a result, AGPN and eligible rural and remote Divisions of General Practice were funded by the Department of Health and Ageing for two (2) years (2007 – 2009) to deliver the *Mental Health Support for Drought Affected Communities Initiative*.

The Initiative is supporting drought affected communities in Queensland, New South Wales, Victoria and South Australia to respond to the psychological impact of drought. Through a network of Community Support Workers (CSWs), the Drought Initiative is:

- providing community outreach and crisis intervention and counselling for people suffering anxiety and depression in drought affected areas.
- Raising community awareness of mental health issues
- Providing education and training to enable health workers and community leaders to recognise and respond to the early warning signs of emotional stress.

AGPN's key partners, *beyondblue*, are assisting in the delivery of the Drought Initiative through:

- Communications and Awareness – to promote key messages on depression, anxiety and related disorders.
- Community Development – to provide a drought kit to communities with information about how to recognize and manage depression and other mental health issues.
- Rural and Remote access – develop the existing Drought Assistance map, which is a directory of relevant services in rural areas.
- Rural Frontline Training – offering sessions of training to participating Divisions, focusing on health workers and community and business leaders.

CSWs are collaborating with health care providers, businesses and community leaders, rural financial counsellors and organizations such as Catchment Management Authorities, Landcare and farming organizations, CWA, local councils, Red Cross, Rotary and other key community organizations to raise awareness of mental health issues. This collaboration is facilitating an early intervention response by providing community people with knowledge and understanding on anxiety and depression.

CSWs engaged under the Initiative have a range of backgrounds, including psychology, social work, occupational therapy, community nursing and/or mental health first aid training.

The Initiative is providing a mental health response to communities facing wider adjustment issues around a changing climate, resulting in a loss of people and services and a shrinking quality of life in affected areas. It is enabling practical solutions and early intervention for farmers, rural workers and rural small business owners and their families.

Most importantly, the Initiative is providing pathways into mental health care and support through the Divisions network, into community based mental health programs.

While the Initiative is acknowledged as a tool to help destigmatise anxiety and depression in proud and resilient rural and remote communities, there is

significant concern around its anticipated termination in June 2009. The effective networks and linkages established by CSWs, and the services offered under the Initiative, face disintegration when the Initiative ends, further adding to community cynicism around 'short term fixes'.

AGPN and Divisions will need early advice of the federal government's intentions and response to the Kenny Report in terms of a mental health and wellbeing response for rural and remote communities. With the Initiative due to terminate in June 2009, there is a potential risk of losing well embedded Community Support Workers (CSWs) to other employment in early 2009. This would result in a significant disruption to the Initiative in terms of the valuable services they deliver in communities. And with the ongoing challenge of rural workforce shortage issues, Divisions would face difficulties in recruiting replacement CSWs for the remainder of the Initiative.

AGPN argues that the Drought Initiative is an extremely important component of the whole mental health service delivery framework in rural and remote communities because of all the tiers it provides:

- community outreach and mental health awareness training
- connectedness and collaboration with health service providers, farming organisations and not-for-profit organisations
- crisis intervention (for families and individuals), and
- pathways into mental health care through Divisions.

Recommendations

AGPN recommends that:

- in its final recommendations, the Productivity Commission takes full account of the impact that loss of income, due to prolonged dry conditions, has on the mental health and wellbeing outcomes of individuals and families in affected regions.
- farming families and communities be supported to recover financially, transition to alternative income sources to diversify into alternative farming businesses, upskill into new industries and/or to exit farming.
- the *Mental Health Support for Drought Affected Communities Initiative* (embedded in the Divisions of General Practice Network) be retained beyond its terminating date of June 2009, for a further three (3) years, as an early intervention mental health and wellbeing response for families and communities facing loss of income, change and adjustment.
- the continuation of the *Mental Health Support for Drought Affected Communities Initiative* form a key part of the Health contribution to a whole-of-government response to the drought policy review.
- the federal government provide early advice of their intention regarding potential continuation of the Drought Initiative, including its response to the Kenny Report in terms of a rural and remote community mental health and wellbeing response. With the Drought Initiative's due termination in June 2009, there is a potential risk of losing well embedded Community Support Workers (CSWs) to other employment in early 2009.
- consideration be given to expanding models of primary health care that improve access to health services such as the More Allied Health Services (MAHS) program.