



2006-2011

STATE DROUGHT RESPONSE



Drought is a normal feature of the Australian farmer's landscape.

Drought is a normal, recurrent feature of climate, although many erroneously consider it a rare and random event. It occurs in virtually all climatic zones, but its characteristics vary significantly from one region to another. Drought is a temporary aberration; it differs from aridity, which is restricted to low rainfall regions and is a permanent feature of climate.

Drought also impacts on urban Australia and other non-farm communities.

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1. EXECUTIVE SUMMARY

This report documents the arrangements and achievements of the 'SA Government's *State Drought Response Program*' that was initiated by the lowest on record seasonal conditions of 2006 and conducted through to 2011. It sets out the national and state policy context for Government intervention into mitigating the impacts of droughts upon farm businesses and families and rural communities and describes the arrangements and the programs that were put in place.

In a policy context, the program approach was to adhere to and complement the Commonwealth's Exceptional Circumstance policy and programs, with a range of business planning, health and well being and community resilience support measures.

The Premier, through establishment of a Drought Committee of Cabinet and designating the Minister for Agriculture, Food and Fisheries and its Department for Primary Industries & Resources SA (PIRSA) to lead the initiative, requested that the response to drought conditions be a whole of government program, with coordination of the financial, environmental and social needs of stressed rural communities.

The Premier also sought that the initiative be the result of a well considered range of measures that were based on sound policy and on intelligent and informed advice from regional communities.

Most importantly, the call from regional communities and organisations, and also from the SA Farmers Federation was for there to be an informed, responsive and coordinated approach to any assistance provided by Government.

To oversee the development and implementation of the \$115million program, a robust interagency and regional leadership infrastructure was established to ensure the program would:

1. deliver a coordinated, whole of Government response
2. be evidence based and innovative and flexible to match the identified and emerging trends and priorities , and
3. be responsive to regional needs.

Planning and Governance

A cornerstone of the initiative, given the integrated and coordinated outcomes sought, was indeed, the planning and governance arrangement.

Supported by the policy and program development work of the PIRSA Sustainable Systems Group, the Drought Committee of Cabinet chaired by the Minister was quickly established. That committee established the Premier's High Level Drought Task Force (HLTF) of agency Chief Executives, to steer and oversee the program. To integrate and coordinate the project management, a Drought Response Team (DRT) of cross-agency Directors was also established, with support staff from each agency dedicated to do the development work, deliver programs and to monitor and evaluate projects.

At the same time, the coming together of Regional Drought Taskforces, or in the case of the River Murray Corridor, two Community and Industry Reference Forums, to provide high level and informed advice on the needs of regions was facilitated.

Concurrently, a project management infrastructure was established. It sought project proposals which were logged and prioritised by the Drought Response Team (DRT), made recommendations on priority projects for further development and subsequently sought endorsement, or otherwise by the Premier's High Level Taskforce (HLTF).

In 12 phases over five years, packages of HLTF endorsed projects were submitted to Cabinet for approval.

The PIRSA Sustainable Systems team managed the program, including the tracking of all projects, through periodic Progress Reports and Final Reports prepared for the DRT by the delivery agents and endorsed by the HLTF. This reporting process ensured a rigorous mechanism for all stages of the planning, implementation, reporting and review of projects and the program as a whole initiative.

The value of the joint Government approach guided by the principles of fair, participatory and adaptive governance cannot be underestimated. The resultant capacity to be responsive to emerging needs and trends and make informed decisions in a timely manner was critical to the overall success of the program.

Achievements

The fully inclusive expenditure of the program was some \$115M, made up of \$63M for state based business, family and community support measures and \$52M in matching the Australian Government's

Exceptional Circumstances Interest Rate Subsidy program. Much of the benefit from the program is immeasurable. The value of the food production sector in SA was some \$7Bn and a major contributor to the state's economy. The drought potentially placed a significant proportion of that productive capacity, or at least the capacity to quickly recover, at risk. The evaluations of the program suggest that without the support of the program the impacts on many businesses would have been devastating and the prospects for recovery much diminished. These evaluations indicate that the flow on impact of reduced production from farms into the community and the economy would have had deep, long and lasting negative impacts upon the strength and resilience of rural communities and economies.

Of arguably greater significance however is the benefits of saved lives. While it is not possible to determine the reduction in the numbers of suicides or lasting levels of mental health problems, the evaluations all indicate that the numbers would have been significant.

In that context, the \$115 was wisely, prudently and effectively spent in the interest of the sustainability of farm and rural communities and ultimately to the State economy and fabric of rural communities.

The \$115 million investment by the Government to work collaboratively with regional communities along the journey from crisis to recovery has and will continue to deliver economic benefits into the foreseeable future.

Statements from individual producers surveyed in the Independent evaluation of the State's Drought response (2010) rated the success of the program.

"It has been extremely effective. It has meant survival for many farmers. The whole thing was great and the community at large acknowledged it and were grateful for the help given. It made a difference for many and it was appreciated".

"The establishment and operation of the drought taskforce was very good and all the staff involved from counselling to drought taskforce's have been exceptional in providing critical needs to the community by facilitating meetings and facilitating remote gatherings. They did some up skilling workshops for the community which was well received".

Notable awards received under the State Drought Support Program have been the Margaret Tobin Award presented to Country Health SA; the Premier's Award and the Chief Executive's Award presented to the PIRSA Drought Team.

The programs delivered were designed to accelerate the recovery of farm businesses, increase regional employment levels and economic growth, and improve business preparedness for future adverse events.

Highlights of achievements under the Program included:

- 980 Apprentices supported to remain in the regions
- 742 farmers learnt new transferrable skills
- 143 **Community Events** across the State that included community nights, farm tours, music festivals, guest speakers and children's events
- 733 men assisted in the **Peer Support Project**
- 4,200 people supported by Country Health SA **Community Counsellors**
- 1,725 irrigators granted a **Critical Water Allocation**
- 300 people attended technical farm operations focused workshops
- 50 workshops focused on communication and succession planning
- 381 Specialist Advice grants approved
- 1,568 Businesses benefited from **Business Planning Grants**
- \$22million of grants leveraged a further \$25 million of private investments: >\$40 million to regional economies
- 2,450 Businesses received **Interest Rate Subsidies**
- 3,000 clients supported by **Rural Financial Counselling Services SA**
- 53 irrigators assisted in seeking new employment opportunities

There is evidence that the Program:

- provided an opportunity for farm businesses to manage during period of very poor yields and reduced income;
- reduced cost to the health system through early intervention in mental health;
- retained valuable apprentices and trainees in the regions;
- built leadership, relationships and networks in communities and industry and between Government and communities; and
- brought improvements in future preparedness by strategic farm planning and implementation of individual projects.



The achievement by regional communities to survive and recover from 5 years of extended and severe drought was a most significant result.

2. INTRODUCTION

Droughts are recognised to have similarities with, but different to bushfires and flood events. Droughts can extend over years not just days or months, and the date of peak impact is not known and the extent and severity of that impact is also unknown. Affects of prolonged droughts are felt on people and businesses throughout whole communities and can be experienced over an extended period. As with a bushfire or a flood, the impacts of a drought can also continue to be felt well after the event and recovery can take considerable time.

This report documents what was put in place by the SA Government and what was achieved by the State Drought Response Program (the Program) in response to the lowest on record seasonal conditions of 2006 that led to the declaration of drought across all production areas of the state.

As conditions continued to deteriorate in 2006, Cabinet gave clear instructions of the need to develop a response program that would:

- deliver a coordinated, whole of Government response ,
- be evidence based and innovative and flexible to match the identified and emerging trends and priorities and
- be responsive to Regional needs.

Beginning in October 2006, the State introduced a phased series of support measures to complement the staged declarations of drought to 14 new regions and the existing two declared regions. By June 2007, all regions of the State were declared to be in drought, based upon the cumulative impact of a series of events from 2002, culminating in the severest one year of drought on record in 2006.

The approach adopted by the State to mitigate the impacts of the drought on farms and communities was guided by a combination of existing National and State policies.

2.1 The Policy Context

In SA, declarations of drought and subsequent responses have only been made in line with the nationally agreed Exceptional Circumstances (EC) approach led by the Australian Government. Under these arrangements EC events were defined as rare and severe events that were outside those that a farmer could normally be expected to manage, using responsible farm management strategies.

To be classified as an EC event, the event:

- must be rare and severe, that is it must not have occurred more than once on average in every 20 to 25 years and must be a significant scale;
- must result in a rare and severe downturn in farm income over a prolonged period of time (e.g. greater than 12 months); and
- must not be predictable or part of a process of structural adjustment.

State and territory governments are responsible for compiling and submitting EC applications to the Australian Government. Assessment of the application was undertaken by the National Rural Advisory Council (NRAC) who presented its recommendations to the Australian Government Minister for Agriculture, Fisheries and Forestry.

All farmers in EC declared areas were eligible to apply for the full range of drought assistance, including income support payments and interest rate subsidies.

Agriculture-dependent small businesses that derived at least 70 per cent of their turnover from farms in EC declared areas were also eligible to apply for income support payments and interest rate subsidies.

Drought assistance income support payments were delivered by Centrelink on behalf of the Australian Government and were taxable.

The South Australian package was based upon sound policy and was consistent with the principles of the National Drought Policy of 1992, they being:

- **achieve self-reliance** by farmers in managing risks stemming from normal climatic variability by increasing the focus on drought preparedness;
- **provide appropriate assistance** to producers experiencing conditions of exceptional circumstances;
- ensure that the provision of this assistance is **equitable, efficient and timely** and is based on the best science and information;
- facilitate the maintenance and **protection of Australia's agriculture and environmental resource base** during periods of increasing climatic stress; and
- **facilitate the early recovery** of agricultural and rural industries, consistent with long-term sustainable levels.

2.2 SA Policy Evolution

To complement the EC arrangements, SA over the years had developed an approach that filled gaps in the Australian Government programs while remaining consistent with the above principles.

The package of measures was designed with the intent of the National Drought Policy at the forefront; and that they would:

- support the Exceptional Circumstances process;
- not distort normal market transactions for transport or fodder for example; and
- provide support to the social fabric of communities.

The South Australian Government's approach to the provision of business support during periods of drought, and its policy directions for the future, was significantly influenced by experience gained through a series of programs briefly described below, which tried and tested a number of support measures and influenced the make up of the program.

1. National Property Management Planning (PMP)

South Australia implemented a major recommendation of the 1992 review of National Drought Policy, to support an approach with a focus more on planning and preparedness of farm businesses to periods of adversity. As a part of the National Property Management Program Campaign, 20% of South Australian producers participated in a 7-day PMP workshop series that facilitated the development of a strategic plan for all parts of their business; the finances, the enterprises, the people and the environment.

The PMP program set the foundation for much of the subsequent approaches to farm drought support and indeed many other industry based farm development programs.

2. Eyre Peninsula Regional Strategy

The Eyre Peninsula Regional Strategy (EPRS) evolved in response to the findings of the Eyre Peninsula Regional Task Force that investigated issues arising from adverse economic and agricultural events in the early 1990's.

The EPRS was established as a Rural Partnership Program (RPP) between the Commonwealth Government, the South Australian Government and the Eyre Peninsula community, with a total of \$11.2 million of funding provided over approximately five years for:

- development of a property management plan; and
- productivity grants
- transition and re-establishment grants
- skills audits and training grants.

This program introduced the model of a case management, facilitated approach to the provision of support to the community.

3. The **Central North East Farm Assistance Program**

The Central North East Farm Assistance Program (CNEFAP) operated from 2000-2003 in lieu of an unsuccessful EC to the Commonwealth bid for assistance. The Central North East program was modelled on the Eyre Peninsula Regional Strategy. It provided funds for a program of:

- technical support measures designed to underpin the regions sustainability;
- grants for producers to participate in strategic planning works to:
 - assist development of property plans, and to
 - enable eligibility for grants for priority works; and
- grants for producers to engage an independent consultant to develop a comprehensive business plan.

4. **Premier's Drought Assistance Package**

The Premier's Drought Assistance Package of support measures was in response to a 2002 drought which, in most regions of the state, failed the EC test but was of a severity that was assessed to warrant intervention by the State. The program provided funds for:

- additional Rural Financial Counselling Services and FarmBis funding;
- individual business support grants, with eligibility criteria similar to EC;
- technical support measures and research projects designed to underpin the regions sustainability; and
- Community Drought Support (events) Grants to assist communities develop resilience.

5. **Lower Eyre Peninsula Bushfire Re-establishment Program**

After the bushfires on Lower Eyre Peninsula in January 2005, the South Australian response model was further developed through the joint State and Commonwealth Government funded, Lower Eyre Peninsula Bushfire Reestablishment Program (LEPBRP). The program provided funds for:

- individual business support grants, with eligibility criteria similar to EC;
- technical support measures and research projects designed to underpin the regions sustainability;
- grants for producers to participate in strategic planning works to:
 - assist development of sustainable development property plans, and to
 - enable eligibility for grants for priority works; and
- grants for producers to engage an independent consultant to develop a comprehensive business plan;
- additional Rural Financial Counselling Services; and
- Community Drought Support (events) Grants to assist communities develop resilience.

2.3 Learnings from Previous Programs

These programs informed policy direction by demonstrating over more than the past decade that key components of a support program were:

- regional empowerment to ensure ownership of proffered support;
- targeted and responsive support by Government;
- government support needs to cover the complete continuum as per Emergency Management Principles of response, recovery and preparedness;
- importance of development of capacity by individuals and communities;
- regional skills and knowledge;
- while recovery and preparedness take time, Government support must have an end date; and the
- strategic importance of development of resilience and sustainability in industry, individual growers and communities.

Reflecting upon those experiences and learnings, in 2006 the State Drought Response Program set out to:

- deliver a Whole of Government coordinated approach;
- be informed by leaders of regional communities;
- be evidenced based according to assessed needs;
- take a considered and phased approach that responded to changing needs

And that it should provide:

- appropriate support to businesses, families and communities, and
- have a focus on a transition to recovery.

3. THE CIRCUMSTANCE

This period of Exceptional Circumstance and the State Drought Response programs were initiated by a series of adverse seasonal conditions from 2002 to 2006 which continued through to 2011, with a progressive withdrawal of the different regions over the time as seasonal conditions improved.

The following provides a snapshot of the years leading up to the declaration of drought (2002 – 2006) and the subsequent years of drought (2007-2011).

3.1 Agricultural and Pastoral Regions

2002 – 2006

Culminating in a lowest on record year for most regions in 2006, an unprecedented five years of low and untimely rainfalls, with severe frost and hot windy days at critical stages in crop production and pasture growth cycles had occurred.

Typically, across the regions the adverse seasons were characterised by:

- 2002 a late break to the growing season and a generally **below average rainfall year**;
- 2003 a **late break** (rainfall) to the season with most crops sown into dry topsoil and minimal subsoil moisture;
- 2004 an average rainfall year marred by **frosts and damaging hot dry October winds**;
- 2005 autumn was severely deficient in rainfall with a very late break in late June followed by a **cold unproductive shortened growing season** and then low grain prices;
- 2006 spring rainfall the **driest on record** growing season and spring rainfall with and severe frosts after a promising start.

Cumulatively then, low and erratic rainfalls, reducing subsoil moisture levels, the frosts and damaging hot winds resulted in a downturn in production and farm finances of exceptional rarity and severity.

2007 - 2011

While conditions varied across regions a typical pattern from 2007 through to 2011 was:

- 2007 conditions did not improve. After good opening rains in April, rainfall ceased in August with recorded growing season rainfall **lowest on record** in almost all regions;
- 2008 a promising start to the growing season, however **low rainfall in peak growing period** delivered another season of below average yields;
- 2009 average to above average growing season rainfall after late opening rains, however very low subsoil moisture levels left crops in the October/November ripening period extremely vulnerable to **10 days of unseasonably hot weather** which withered both the quantity and quality of the grain harvest;
- 2010 almost every month had average to above average rainfall, except for June when rainfalls were below average across most regions. Growing season rainfall was recorded as **above average and wettest since 1992** followed by the third wettest summer on record, noting some atypical pockets;
- 2011 a wet summer followed by **below average rainfall in April**.

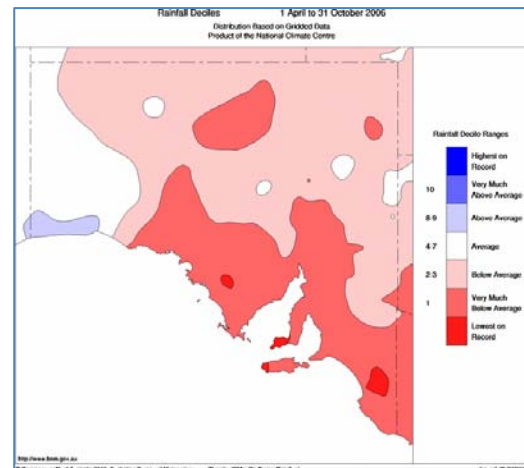
Following is a more detailed synopsis of the rainfall conditions during the drought event.

2006

Conditions deteriorated markedly during the winter growing season of 2006 and the State suffered one of its driest and coldest winters on record.

Monthly rainfall was very much below average (Decile 1) in all districts, with many centres having their lowest August rainfall on record.

Winter rainfall (June-August) varied from below average in parts of Eyre Peninsula to very much below average (Decile 1) in most other areas, with much of the South East receiving their lowest winter rainfall on record.



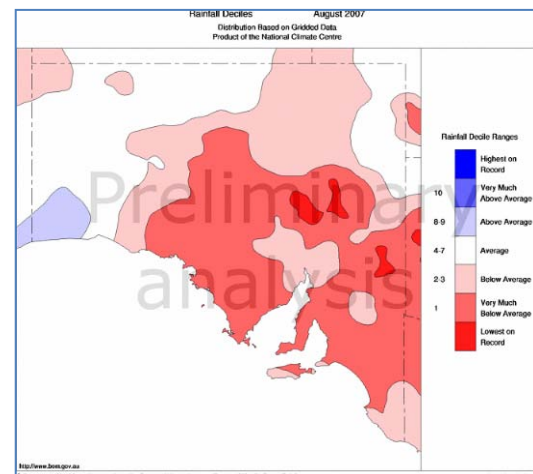
Similar climatic conditions were experienced across the broader Murray-Darling Basin region with predictions foreshadowing that decreasing inflows to the River Murray system could result in the inability of the River Murray system to deliver to South Australia's entitlement flow of 1,850 GL and significant reductions to irrigator water allocations in South Australia.

2007

Seasonal conditions did not improve in 2007. The Premier and Acting Minister for Agriculture toured the Eyre Peninsula on 22 and 23 September 2007 to assess the severity.

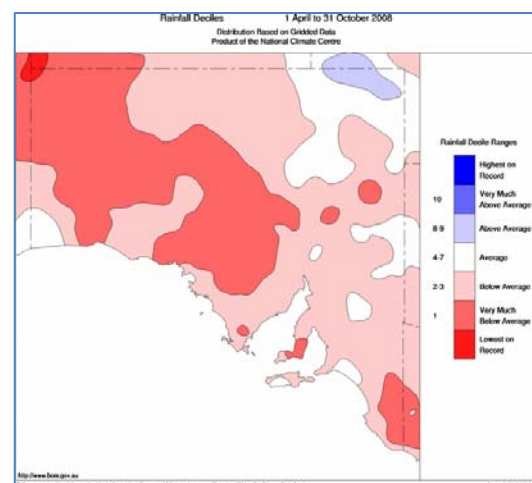
The growing season had commenced with opening rains in April that followed good late summer rains. However, for the remainder of the growing season, rain was severely deficient.

August rainfalls were lowest on record almost everywhere within the State. Allocations of River Murray water to irrigators were further restricted and ground water aquifers in the South East were showing effects of five years of drought.



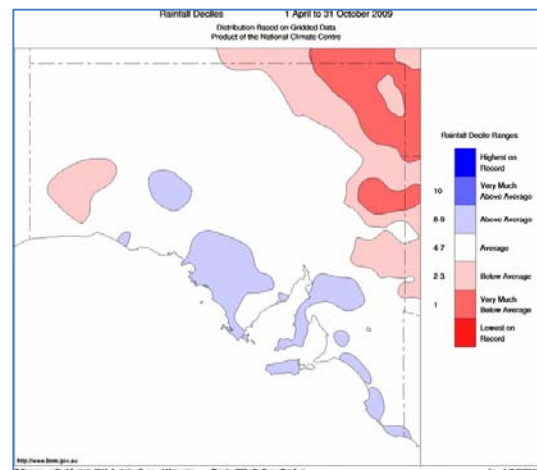
2008

Growing season rainfall for 2008 indicates below average rainfall in the majority of the agricultural regions of SA, with some areas continuing to receive very much below average rainfall



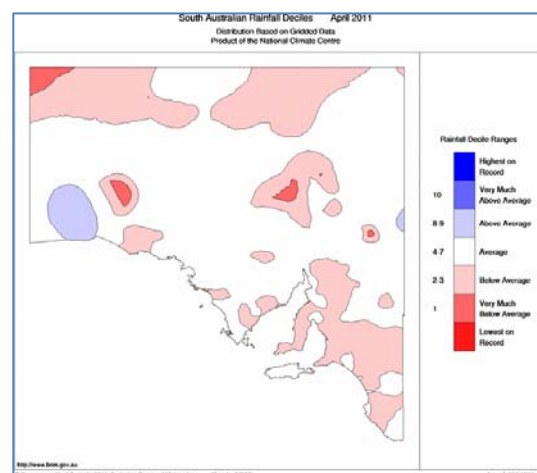
2009

Growing season rainfall in 2009 saw a return to average or above average rainfall conditions across the agricultural and pastoral production regions of the State.



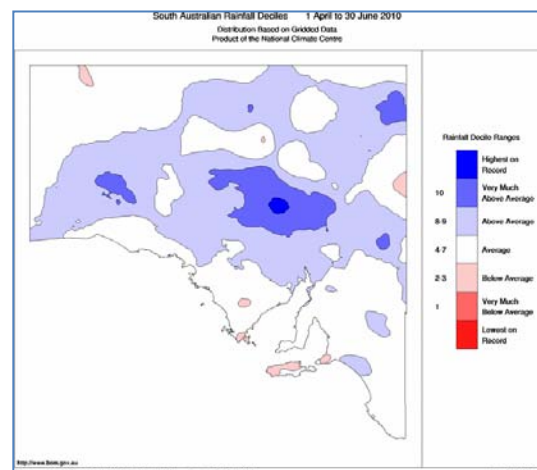
2010

Almost every month recorded average to above average rainfall across South Australia, except for June when rainfall totals were below average across most of the State. Growing Season (April to October) rainfall was above average and the wettest since 1992



2011

At the time of preparation of this report, the prospects for 2011 were favourable following a wet summer and April rains. An average outlook was predicted by the Bureau of Meteorology.



3.2 Murray-Darling Basin and the River Murray Corridor

The declaration of drought for the 'drought proofed' River Murray Corridor was truly the result of an exceptional circumstance. The Murray-Darling Basin Commission (MDBC) reported in July 2006 that the River Murray system was entering its sixth consecutive year of drought.

Over the five years from July 2001 to June 2006 average inflows to the River Murray system were 4,800 GL/yr, which is about 40% of the long-term average of 11,200 GL/yr.

From January 2006 through to early 2007, the MDBC reported:

2006

- January to July 2006 large areas of the Basin (MDB) was experiencing record low rainfall;
- rainfall over the Basin in October 2006 was the lowest on record, providing only 70 GL inflow to the River Murray system; compared to previous lowest of 135 GL in 1914.

2007

- inflows of 30 GL in January 2007 was an historic record low (for any month);
- overall, the 12-month period ending January 2007 was the driest experienced in the Basin in 115 years of historical inflow records.

Following is a more detailed synopsis for the subsequent period of restricted irrigation allocations and severe drought impacts: 2008 – 2010.

2008

- in August 2008, the River Murray system remained in severe drought. Inflows during August were around 270 GL compared to the long-term average of 1,550 GL; and
- inflows from June to August 2008 were only 665 GL, compared to 1,025 GL for the same time in the previous year, and the long-term average of 3,340 GL.

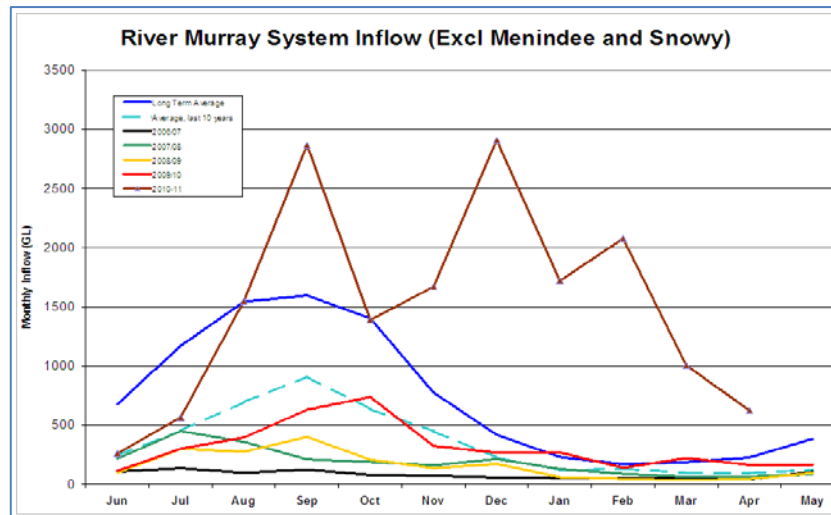
2009

- extreme drought conditions continued across the Basin;
- the volumes in upstream storages was 14% capacity compared to the long-term average of about 53% capacity; and
- below Lock 1, water levels remained low and salinity levels remained high due to reduced flows into South Australia.

2010

- heavy rainfall from late September 2010 to January 2011 generated a number of significant inflow events across the Basin;
- these rainfall events allowed storages to recover, ensuring
- high water availability to all states for 2011-12

The diagram below illustrates the River Murray System inflows from June to May during the period 2006-07 to 2010-11, the long term average inflow and the average inflow over the last 10 years.



River Murray System Inflows (excluding Menindee and Snowy)

The table below details the River Murray flow to SA from 2005/06 to the end of April 2011.

Period (June – May)	Inflow (GL)	% Long Term Average
2010/11 to end April	13,640	284%
2009/10	3,210	36%
2008/09	1,880	21%
2007/08	2,230	25%
2006/07	970	11%
2005/06	6,380	72%

Access to Allocations

With ongoing low inflows to the Murray-Darling system during 2007-08 to 2009-10, South Australia negotiated Special Water Sharing Arrangements with Victoria, New South Wales and the Commonwealth Government. Temporary River Murray carryover arrangements were introduced in 2007-08 to allow water users to manage their annual inter-seasonal risks.

In November 2008, River Murray irrigation allocations reached just 18% and stayed at that level for the remainder of the 2008-09, almost half of the previous lowest allocation of 32% in 2007-08.

Announced general water allocations during 2003-2004 to 2010-2011 are listed below.

Irrigation Season	% of Licensed Allocation	
	Commencement Allocation	Final Allocation
2010 - 2011	21	67
2009 - 2010	2	62
2008 - 2009	2	18
2007 - 2008	4	32
2006 - 2007	80	60
2005 - 2006	70	100
2004 - 2005	70	95
2003 - 2004	65	95

The extended period of drought caused significant detrimental impacts to the Lower Lakes and Coorong. Due to record low flow to South Australia, water levels in Lakes Alexandrina and Albert fell to unprecedented lows, disconnecting the two lakes.

During 2009, the water level in Lake Alexandrina dropped from pool level of +0.5 metre AHD to -1.0 metre AHD, and in Lake Albert -0.5 metre, resulting in the exposure of acid sulphate soils. More than 20,000 hectares of acid sulphate soils were exposed on the Lakes, resulting in potentially disastrous acidification of lake waters.



Despite improved water resource conditions, salinity in Lake Albert remained too high for irrigation activities to recommence.

Upstream of the Lower Lakes, the drought caused a number of problems including the cracking and slumping of river banks and irrigation levee banks, drying of wetlands, and the stranding of irrigation infrastructure.

Restructuring of regional industries was accelerated due to the drought with a reduction in the number of dairy farms and livestock numbers. Wine grape production and irrigated industry were affected by the lack of water availability, along with other industries including fishing and tourism.

Water security for wine grape production was provided in 2009 with the installation of a pipeline from Jervois to Langhorne Creek. Other pipelines were completed to provide stock and domestic water for communities in the Lower Lakes region.

3.3 South Australian EC Declarations

At the start of September 2006, when the true severity of the 2006 drought began to become apparent, there were three Exceptional Circumstance (EC) declared areas in South Australia; the Central North East, Upper North Cropping and Far North (administered by the Queensland Government). Over the next 12 months, regional communities with support from the South Australian Government prepared and submitted 14 new applications for EC declaration.

The Government supported and encouraged that EC applications be owned and developed by the relevant community. The Government facilitated the formation of Regional Drought Taskforces that brought together the Regional Natural Resources Management Board(s), Regional Development Board(s), Regional Local Government Association, South Australian Farmers Federation (SAFF) and community leaders to oversee the EC application development process, communicate drought related information and provide advice to Government.

To support the Regional Drought Taskforces, the Government employed a team of project officers, offered grants of up to \$15,000 per EC application to assist in the preparation of high quality farm case studies and supported the assessment tours of the National Rural Advisory Council (NRAC).

Considerable internal technical resources were also realigned within departments to support the application process.

*Severity of the Drought
A major impact, it impacted across everything – families, mental health, and ability to function at full capacity. Big financial impacts on farmers and in business in the towns who service the rural industry – even down to the local supermarket*

*Evaluation of State Drought
Response 2010*

Significant leadership and commitment was demonstrated by regional organisations and community members, who contributed noteworthy cash and/or in-kind resources to ensure high quality applications. A conservative estimate is that over 4,500 hours of in-kind labour was contributed to the process by farmers and regional leaders across the State.

The joint Commonwealth/State funded development and operation of the National Agricultural Monitoring System (NAMS) played a significant role in providing data and a format for mounting the cases for the EC applications

The process of applying for Exceptional Circumstances commenced in September 2006 with an application for a Prima Facie declaration forwarded to the National Rural Advisory Committee for their consideration.

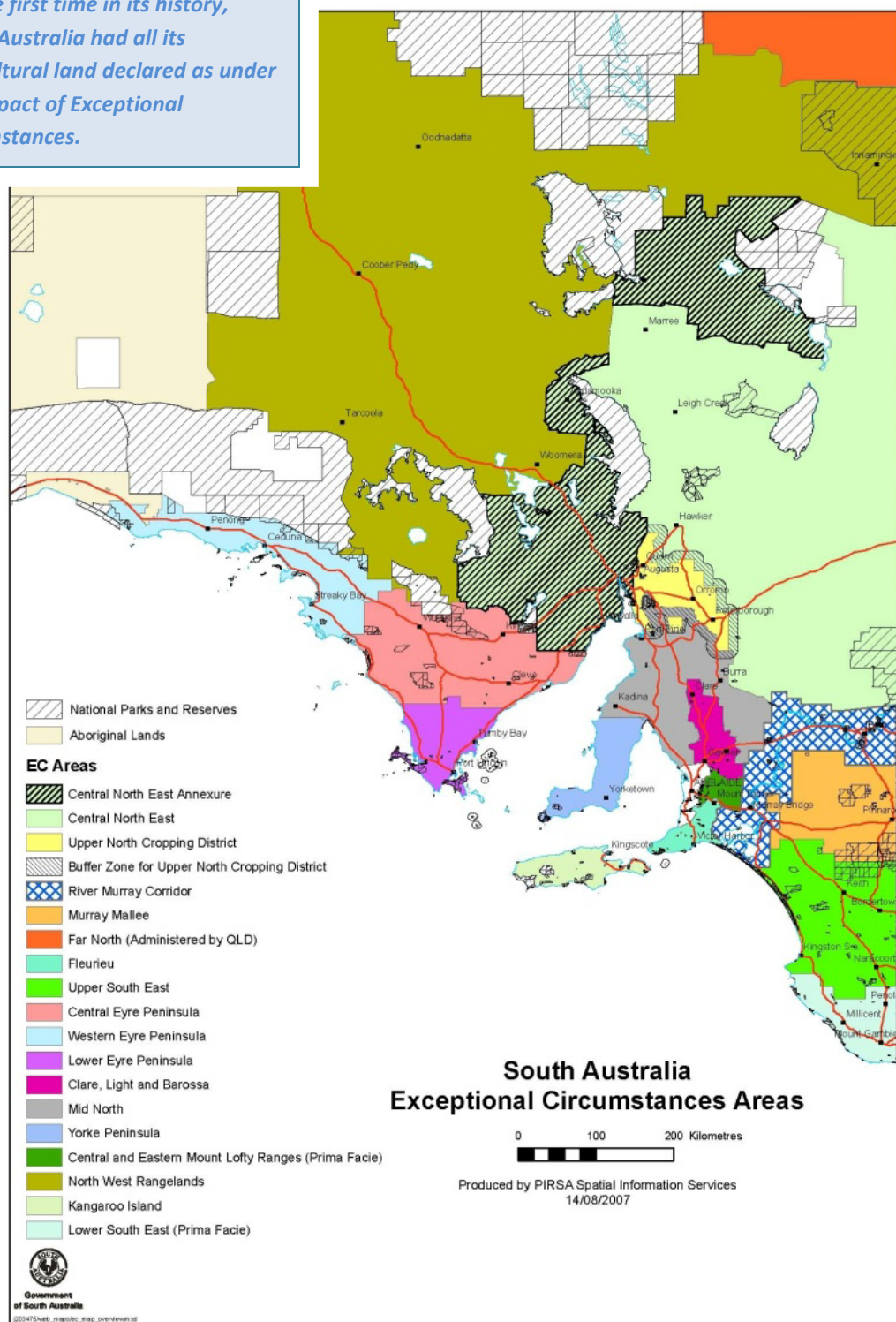
Applications for fourteen regions were submitted to NRAC with final applications lodged on 4 June 2007. The number of applications was well beyond that initially envisaged. All were approved for a period of three years.

Applications were prepared for the following regions:

- Central Eyre Peninsula
- Central & Eastern Mt Lofty Ranges
- Central North East
- Clare, Light & Barossa
- Fleurieu Peninsula
- Kangaroo Island
- Lower Eyre Peninsula
- Lower South East
- Mid North
- Murray Mallee
- River Murray Corridor
- Upper North Cropping
- Upper South East
- Western Eyre Peninsula
- Yorke Peninsula



For the first time in its history, South Australia had all its agricultural land declared as under the impact of Exceptional Circumstances.



Further details relating to the Exceptional Circumstance cases put to NRAC on behalf of each of the region are included in Appendix 1.

4. THE IMPACTS

Drought produces a large number of impacts that can affect the social, environmental, and economical standard of living. These affects can spread far beyond the physical effects of drought itself.

Some direct impacts of drought are reduced crop productivity; reduced water levels; increased fire hazard; increased livestock and wildlife death rates; and damage to wildlife and fish habitat. A reduction in crop productivity usually results in less income for farmers, increased prices for food, unemployment, and can result in population movement from regions.

Farmers are not the only ones who suffer from droughts. Retailers who provide goods and services to farmers must deal with reduced business.

4.1 Environmental Impacts

The severity of the drought in 2006 and the continuing deterioration of conditions in 2007 posed significant threats to the environment.

There was concern for the native flora and fauna and ecosystems and targeted programs were implemented to mitigate the impact of the drought.

The major natural resource management issues in the farming areas was the high risk of soil erosion through the lack of crop and pasture cover and availability of water for livestock.

Reduced tillage, stubble management and good stock management would be the key to minimising the risk of soil erosion.

Land condition

As a result of the 2006 drought conditions and a number of preceding adverse seasons, the potential for soil erosion was high.

In light of the low rainfall and the deteriorating conditions in 2007, following the driest on record year in 2006, many areas of the State were at risk of finishing the 2007 season with insufficient crop or pasture cover to provide protection from wind erosion.

Grazing of crops, as pastures failed increased the erosion vulnerability of grazed cropping paddocks due to cover removal and soil surface disturbance. The potential for dust storms over Adelaide was a significant risk.



Sand drift during 1982 drought in the Mallee

On Eyre Peninsula, later sown crops had left the soil surface vulnerable to erosion and sandy dunes were particularly under threat of erosion. Eastern Eyre Peninsula, with the threat of crop failure was considered to be at a higher risk of erosion than 2006.

In the Upper North, soils were becoming increasingly vulnerable to erosion, with a number of producers offloading stock in response to the poor paddock feed situation.

In the Murraylands, despite the low August rainfall, many crops had cover levels on non-wetting sands around Lameroo, Parilla whereas the Swan Reach – Nildottie area had poor cover levels. Levels of paddocks feed varied but in many cases were low to nonexistent and were drying off rapidly, leaving very little following grazing.



While land condition was indicating a very high likelihood of soil erosion due to poor and reducing soil coverage, it is testament to the farmers' management of their land and enterprises that dust storms of the size and frequency of previous drought events did not occur.

Water Resources

State-wide ground water aquifers had declined over recent years due to lack of significant recharge.

There were particular concerns about reducing groundwater resources in the Lower South East and in the Mid North, with consequent implications for irrigation supplies and some stock supplies.

On Eyre Peninsula there had been limited recharge in the Southern Basins Prescribed Wells area but supplementation through the connection to the River Murray pipeline would provide for adequate supplies.

Surface water dam supplies in irrigation areas in the Mid-North, Barossa and Clare Valleys and the Mt Lofty Ranges and Fleurieu were limited due to inadequate run-off over the previous two years.

Surface water dam supplies in non-irrigated areas were stressed to their maximum, with many farmers having to purchase water and cart to their properties to maintain water supplies for livestock.

4.2 Agricultural Production Impacts

Poor seasonal conditions in 2006 led to an expected dramatic fall in agricultural production with roll-on effects to incomes and broader economic activities. Affected were broad acre cropping and livestock, the irrigated sectors (River Murray users in particular) and intensive animal industries.

Grain crops

Rainfall and availability of soil moisture for plant use are core requirements for successful grain production. A drought event with its inherent lack of rainfall and correlating reducing soil moisture levels has the potential to severely impact on crop yields and quality.

As set out in the following table, drought had a significant impact upon production in 2006, with crop yields in SA around 44% of the 2001-2005 5-year average that included the 2002 drought and 2004 dry year.

Crop failure in some districts resulted in a significant number of silos not opening for grain receivals during harvest with districts averaging less than 10% of long-term average yields.

Production ('000 tonnes)										
	Wheat	Barley	Oats	Trit	Pea	Lupins	Canola	Beans	Lentils	TOTAL (All Crops)
5yr average (2001-05)	3,401	2,200	122	120	178	90	236	184	93	6,649
2001/02 (record)	4,936	2,983	150	149	265	142	242	295	171	9,364
2006/07 (Drought)	1,512	1,035	45	57	82	42	77	57	29	2,945

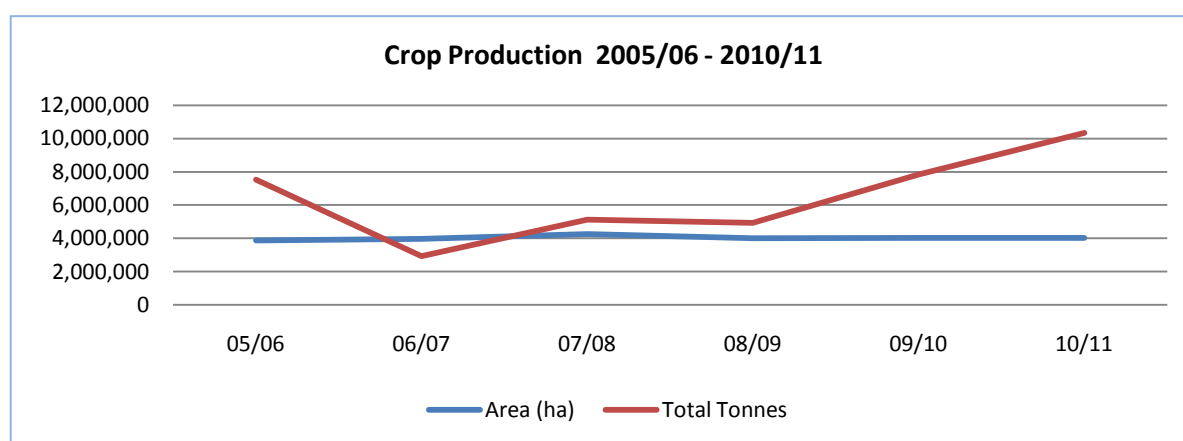
Source: PIRSA Crop Estimates.

While acreage sown to crops remained constant, (in part due to the promising starts to most growing seasons) yields did vary considerably during the drought event.

	05/06	06/07	07/08	08/09	09/10	10/11	Average
TOTAL ha	3,880,000	3,963,000	4,262,000	4,008,000	4,025,000	4,023,000	4,026,833
TOTAL t	7,536,000	2,931,000	5,119,000	4,930,000	7,833,000	10,341,000	6,448,333
YIELD t/ha	1.94	0.74	1.20	1.23	1.95	2.57	1.60
% Variance from Average	21.0%	-53.9%	-25.2%	-23.4%	21.3%	60.2%	

Source: PIRSA Crop Estimates.

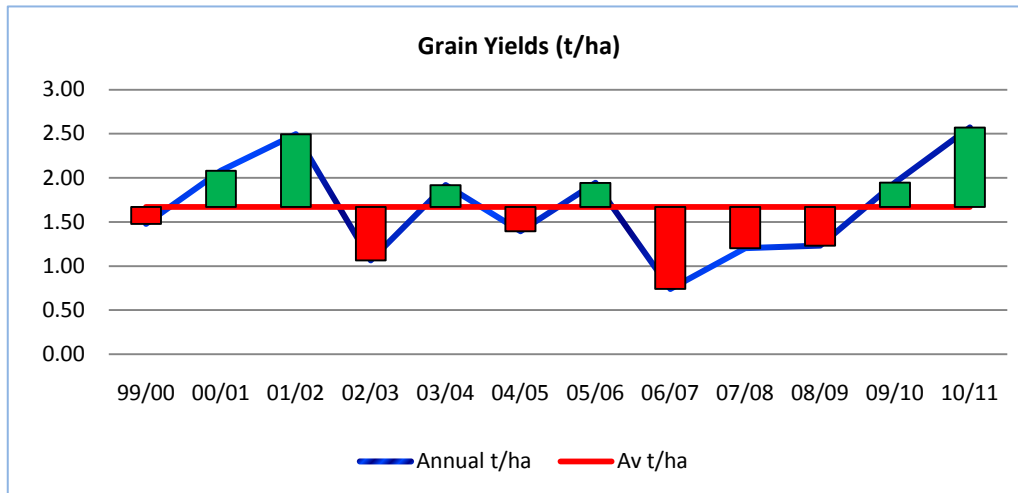
During the period of the State Drought Support program, acreage planted to crops remained relatively constant while yields showed considerable variability as is illustrated in the graph.



Source: PIRSA Crop Estimates.

The average yield (t/ha) illustrates the impact of the drought. Recovery in yields commenced in 2007/08 but did not return to average or better yields until 2009/10. Recovery to these yields during this period was not consistent across the state and several regions experienced impaired quality with reduced yields due to frost, disease, mice and damaging hot winds.

The average yield over the 12 years of data was 1.67 t/ha and this was not achieved in the first 3 years of the State Drought Support program. The average yield for the 2006/07 season was below that of the 0.32 t/ha that of the 2002/03 drought.



Source: PIRSA Crop Estimates.

Crop yields over the 12 year period are illustrated in the graph below, including variance from the 12 year average yield.

The below average yields in 2007/08 are indicative of the lowest on record August rainfall and in 2008/09, low rainfall in the peak growing periods.

Livestock

With the deteriorating drought conditions, producers in many regions off loaded large numbers of livestock. This was however variable across the State with some regions maintaining stock numbers with a significant increase in feed lotting practices set up.

The rising feed grain prices in 2007 did exclude many producers from maintaining stock numbers and their ability to maintain grain feeding over the summer months. As was to be expected, many producers with livestock retained more grain on farm than normal for the purpose of feeding their retained essential breeding stock.



The Fodder Industry Association of Australia (FIAA) reported that hay crops usually yield 7-9t/ha. but in of 2006 and 2007 yields were down to 2-3t/ha.

Fortunately, in general the State was able to maintain feed stocks during the drought.

Intensive animal industries

Intensive animal industries including pork, poultry meat, eggs and dairy felt the impact of the drought through the increases to feed grain prices as a result of the reduction in yields. A comparison of feed grain costs between 2007 and 2006 are illustrated in the table below.

<i>Feed Grains</i>	2006 Mean	2007 Mean
Feed Wheat	\$235	\$334
Feed Barley Cash	\$251	\$337
Feed Barley Pool	\$227	\$266
Feed Oats	\$185	\$271
Triticale	\$214	\$338
Lupins	\$273	\$356

The dairy industry was also challenged by availability of water, and those located on the Lower Murray Lakes were faced with significantly deteriorated water quality and then loss of access to water as river and lake levels dropped below intake points.

Dairy producers were further impacted in their ability to produce resulting in the need to purchase fodder as it was not able to be produced on farm.

In 2007, feed grain supplies were particularly tight with minimal carryover stocks from the 2006 drought affected harvest until grain from the 2007 harvest was delivered into the system. While the feed grain supply in 2007 was better overall than 2006, there were significant region-to-region supply differences. The northern cereal zone did not produce pasture feed, fodder crops failed, and grain production was well below average. In other regions, grain production was below average to average in the best areas, and was able to supply the areas with little grain.

From then, SA had sufficient grain to meet expected domestic demands for feed grains.

Dairy Production

The table below shows the number of dairy farms, cow numbers and total milk production and value for the region.

Key points of observation for the period 2007 to 2009 include:

Lower Murray

- farm numbers reduced by 23.1% and cow numbers by 25.2%;
- milk production (average milk per cow and total milk production) fell overall by 25.8% with a slight improvement in production in 2009; and
- Average price for milk reduced by 6.2% in 2008 and remained the same in 2009.

Lakes

- farm numbers reduced by 25% and cow numbers by 10.8%;
- milk production fell overall by 11.6% with an improvement in production in 2009; and
- Average price for milk reduced by 6.2% in 2008 and remained the same in 2009.

Dairy Production for Lower Murray and Lakes – 2007 to 2009

	2007	2008		2009	
	No.	No.	Change %	No.	Change %
Lower Murray					
Farms (No.)	52	46	-11.5	40	-11.5
Cows (no.)	13,548	11,302	-16.6	10,138	-10.3
Average Milk per Cow (litres)	6,414	6,180	-3.6	6,361	2.9
Total milk productions (lts)	86,896,872	69,846,360	-19.6	64,487,818	-7.7
Average price per litre (\$)	0.32	0.30	-6.2	0.30	0
Total value of milk(\$)	27,806,999	20,953,908	-2.5	19,346,345	-7.7
Meningie					
Farms (No.)	28	23	-17.9	21	-13.0
Cows (no.)	10,933	9,707	-11.2	9,746	0.4
Average Milk per Cow (litres)	6,414	6,180	-3.6	6,361	2.9
Total milk productions (litres)	70,124,262	59,989,260	-14.4	61,994,306	3.3
Average price per litre (\$)	0.32	0.30	-6.2	0.30	0
Total value of milk (\$)	22,439,764	19,996,778	-19.8	18,598,292	3.3

Source: Dairy Authority of South Australia

4.3 Horticultural Production Impacts

The major impact was felt along the River Murray and in particular in the Riverland.

The gross value of irrigated production in South Australia did not fall by more than around 25% in any one year since the drought began, and in 2011 was in aggregate terms at around pre drought levels. In the depths of the drought, water trading of both River Murray temporary allocations and carryover of around 225 GL far outstripped the 165 GL supplied through restricted (18% general allocations) and the Government's 60 GL Critical Water Allocation.



Producers who were able to make critical business decisions (e.g. adjustment and/or exit out of industry, transact water purchases and sales through knowledge of markets (including temporary allocation trade and use of storages/carryover water) mitigated much of the impact of the drought within the River Murray Corridor.

Wine grape production

Notwithstanding the above, wine grape producers in the Riverland had been through a number of successive difficult years. Reduced water allocations did have an impact on wine grape production for many growers but despite those reduced allocations and 12.5% of irrigators exiting the industry, a

surplus of grapes were still produced in the 2009/10 vintage. The surplus in wine grapes was predicted by the Phylloxera Board to continue until the 2015 vintage.

Other Horticulture

The following table shows the production and value of selected crops from the Riverland and Murraylands for the production seasons 2007/08 to 2009/10.

Table 2: Irrigated output from the Riverland and Murraylands – 2007/08 to 2009/10

Crop	2007/08		2008/09		2009/10	
	Production (t)	Value (\$)	Production (t)	Value (\$)	Production (t)	Value (\$)
Almonds	7,974	51,831,000	10,826	46,552,636	10,366	49,757,760
Apricots	4,209	13,467,992	8,417	2,549,740	2,550	6,272,359
Avocados	1,256	2,512,656	1,393	4,433,930	1,243	5,197,218
Nectarines	1,715	1,663,681	2,058	1,914,091	1,715	1,674,829
Olives for Oil	2,640	1,801,800	2,640	1,404,000	2,031	893,538
Onions	21,936	9,871,200	24,015	10,807,006	24,616	11,692,580
Other Grapes	2,020	1,413,957	8,246	9,153,633	7,056	6,209,758
Peaches	2,532	3,670,948	1,346	2,356,316	1,122	2,075,802
Plums/Prunes	1,505	2,497,951	3,461	982,336	982	2,161,139
Potatoes	201,992	70,697,382	211,094	69,660,985	203,490	71,221,623
TOTALS	247,779	159,428,567	273,496	149,814,673	255,171	157,156,606

Key points of observation for the period 2007/08 to 2009/10 include:

- Almond production increased by 30 % but value decreased by 4 %;
- Apricot production decreased by 39.4 per cent and value decreased by 53.4 % cent;
- Onion production increased by 12.2 % but value increased by 18.4 %; and
- Peach production decreased by 55.6 % and value decreased by 43.4 %.

Overall, the tonnage of produce increased with a reciprocal decrease in value. This is illustrated in the table below.

Irrigated output from Riverland and Murraylands 2007/08 – 2009/10 - SUMMARY					
	2007/08	2008/09	2009/10	Change	% Change
Production (t)	247,779	273,496	255,171	7,392	3.0%
Value (\$)	159,428,567	149,814,673	157,156,606	-2,271,961	-1.4%

5. THE RESPONSE: ARRANGEMENTS

To deliver on Cabinet's requests, an array of government and community resources were mobilised and an organisational structure put in place to deliver on fair, participatory and adaptive governance and development of strong relationships between the committee structures.

PIRSA was the lead agency and provided much of the Program's leadership and management oversight. Consistency in management and involvement from industry and community stakeholders ensured a high level of on-ground intelligence was able to inform decision making and policy development at the highest levels within Government.

Sound process ensured that all potential projects were highly likely to provide the required and expected outcomes within budget limits.

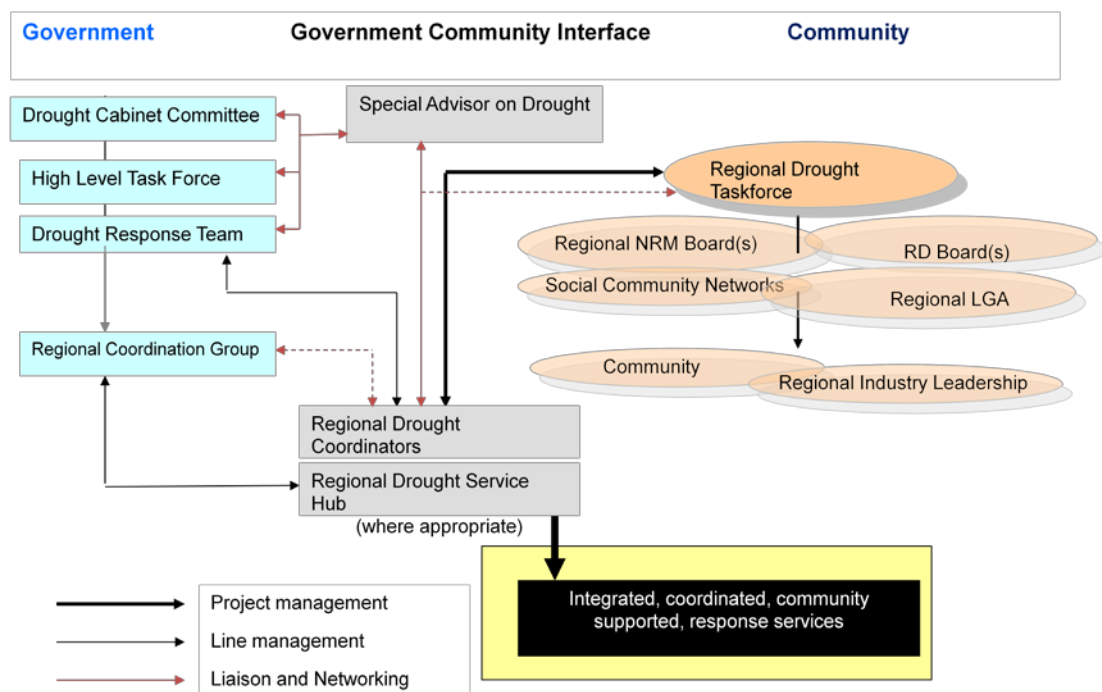
The clear and formal relationships between committees and monitoring and reporting of implemented support measures provided the foundation for flexibility and the capacity to be adaptive to emerging trends and needs, without compromising an overarching transparent and risk management framework.

A critical component of the Program was its ability to make the best decisions as fast as possible.

In the following, the Governance structure and the Program management structure that were quickly established are described.

5.1 Governance

Relationships between the Government and Communities including the Drought Management Committees are illustrated in the diagram below.



Governance Structure

Each committee functioned under clarity of roles and responsibilities as defined in Terms of Reference summarised below.

Drought Response Sub-Committee of Cabinet

To set Government policy direction in relation to drought, including:

- approve the implementation of programs and associated resource allocation;
- report to Cabinet on delivery of programs; and
- ensure integrated and consistent messages to the media and community.

Membership of Drought Response Sub-Committee of Cabinet comprised:

- Minister for Agriculture, Food and Fisheries (Chair);
- Treasurer ;
- Minister for Environment and Conservation & Mental Health;
- Minister for the River Murray & Regional Development;
- Minister for Administrative Services; and
- Minister for Families and Communities

Premier's High Level Taskforce

To ensure integrated and coordinated development and delivery of Government response to drought, including:

- review feedback provided by the Premiers Industry Leaders Forum on Drought;
- provide high level policy direction to the SA Drought Response Team;
- review, endorse and recommend drought assistance policy and program proposals developed by the Drought Response Team; and
- provide policy recommendations to Drought Response Committee of Cabinet.

Membership comprised the Chief Executives of:

- Primary Industries & Resources SA (Co-Chair); Department of Water Land Biodiversity & Conservation (Co-Chair); Department Premier and Cabinet (PC);
- Department of Environment and Heritage (DEH); Health; Department for Families and Communities; Department for Trade & Economic Development; SA Water; Department of Education and Children's Services; and the
- Under Treasurer; and
- Chair, SA Natural Resource Management Council; General Manager, SA Farmers' Federation; the SA Director, Bureau of Meteorology; and the Country Fire Services.

The Taskforce first convened on 19 September 2006 and the final meeting was held on 5 May 2011.

The Premier's High Level Taskforce convened on 70 occasions.

Drought Response Team

Responsible for developing drought response related policies and programs for consideration by the High Level Drought Taskforce. To undertake this action, they:

- took advice of the Adverse Seasonal Conditions Working Group;
- interacted with regions to receive advice on response strategies;
- developed projects for consideration by the Premier's High Level Task Force; and
- coordinated and managed project implementation and closure.

Membership of the SA Drought Response Team comprised Directors of:

- Sustainable Systems, Primary Industries and Resources SA (Chair);
- Strategic Policy, Department of Water Land Biodiversity & Conservation;
- Department of Environment & Heritage, Science and Conservation;
- SA Water, Head of Planning & Infrastructure;
- Mental Health, Department of Health;
- Department of Health, Country Health;
- Department for Families and Communities;
- Department for Trade & Economic Development;
- Department of Education & Children's Services; and
- General Manager Communications & Marketing, PIRSA;
- Manager Strategic Communications, DWLBC;
- South Australian Farmers Federation; and
- General Manager, Rural Financial Counselling Service SA.

The Drought Response Team convened on 22 September 2006 and the final meeting was held on 19 April 2011. The Drought Response Team convened on 89 occasions.

Regional Drought Taskforces

Community leadership, advice and intelligence were provided by Regional Drought Taskforces that were set in place to assist with guiding applications for declaration of Exceptional Circumstances. They provided an effective and efficient conduit of information between the Government and regions.

Regional Drought Taskforces were developed as a result of the Premier's visit to Eyre Peninsula in late September 2007, taking into account regional community feedback and recommendations. Membership was regionally determined and coordinated and brought together local leaders to communicate and coordinate support and services required for their regions and communities.

By late 2007, every region in the State had established an Exceptional Circumstances Taskforce

Key responsibilities of the Regional Taskforces initially focused on development of Exceptional Circumstance applications, in particular their input to specific and localised knowledge and wisdom pertinent to the impact of the drought circumstances.

The Taskforces were an important single point of reference for the Government and undertook a vital role of engaging the broader regional community to provide a regional perspective to Government.

Their role evolved into providing strategic input into the State Drought



Program with their input being critical to the Government's ability to provide support to funding submissions, subsequent program development and implementation and evaluation based on identified priority needs.

Longevity of the Regional Drought Taskforces was dependent upon the circumstances faced by the individual regions and consequently, not all Taskforces remained active over the duration of the Program.

The Eyre Peninsula, Rangelands, Northern and Yorke Taskforces and reference committees in the Riverland and Murray Mallee remained active for the duration of EC declarations for their regions. As the drought and its impacts subsided, Taskforces developed plans for the future of their regions.

The River Murray Corridor and Lower Lakes region experienced varying representation and saw a movement from a Regional Drought Task Force representation to a Futures Taskforce. This was problematic as the change in representation was poorly communicated and resulted in significant fragmentation and disconnect within the community.

Taskforces in the South East, Fleurieu Peninsula, Kangaroo Island and Adelaide and Mount Lofty Regions were short-lived, having achieved their desired outcome with EC declarations.



In time, Regional Coordinators were appointed to assist the Regional Drought Taskforces.

Regional Drought Coordinators

The Coordinators were an important link between the regions and the State.

The Coordinators were intended to be a vital part of the leadership structure allowing the community to take ownership of the response and recovery effort, in concert with state-wide strategies. The Drought Coordinator's role involved:

- supporting their respective Regional Drought Task Forces by providing a conduit between the regions and Government for drought related matters;
- providing high level executive support to the Regional Drought Taskforces;
- facilitating increased collaboration in the development and delivery of programs;
- promoting and distributing information about support services available to producers, small businesses and communities;
- provision of accurate, timely and strategically important regional information to the State Government and the Premier's Special Adviser on Drought; and
- identifying opportunities and strategies to streamline the delivery of programs.

Four regionally based Drought Coordinators were appointed in 2008/09. Their appointment was to assist the Regional Drought Taskforces and the communities in Eyre Peninsula, River Murray Corridor, Northern and Yorke, Far North and the Murray Mallee and Upper SE Regions.

Their appointment was a critical contributing factor to the success of the Program.

Premier's Special Advisor on Drought

Former Premier, Hon Dean Brown was appointed as the Premier's Special Advisor on Drought in 2007. In this role, Mr Brown had direct access to the Premier, and the Premier's High-Level Drought Taskforce and reported to the Minister for Agriculture and Minister for Water on drought related matters.

The role worked to identify and coordinate State-wide responses hand-in-hand with Regional Drought Coordinators and through State-wide drought forums.

Similarly, the role liaised with banks, industry organisations and community service providers on the business, social and natural resource management impacts of the drought to help the Government identify and efficiently target response measures. He also liaised with employers about off-farm employment opportunities as farmers looked to other sources of income.

The role of the Premier's Special Adviser combined with the work with drought affected communities along the River Murray. In that role, he took on a key leadership role, working as a liaison between the State Government and River Murray communities as they came to grips with record low in-flows. Mr Brown was integral in assisting with meetings between farmers and financiers in numerous difficult cases.

The profile of the Premier's Special Advisor on Drought played a major role in achieving good lines of communication and outcomes and was a critical factor in the success of the Program.

Drought Forums

From the outset, the Minister convened a series of forums of senior leaders from different sectors to inform the Government response.

The Premier's Industry Leaders Forum was formed to:

- provide Government with intelligence from an industry perspective;
- provide specific advice on assistance measures required for different sectors;
- provide feedback on effectiveness and efficiency of action taken by Government; and
- provide advice on content and timing of messages for Government communication.

This group was central to early gathering of intelligence relating to severity of the drought, potential effects and development of appropriate programs of support. Membership of Premier's Industry Leaders Forum comprised:

- Minister for Agriculture, Food and Fisheries;
- Minister for Environment and Conservation / Mental Health;
- Minister for the River Murray / Regional Development;
- President, SA Farmer's Federation;
- Chair, Advisory Board of Agriculture;
- President, SA Dairy Association;
- Chief Executive, SA Wine Industry Association;
- Chair, Central Irrigation Trust;
- Chair, SA Murray Irrigators;
- Regional Agribusiness Manager SA, National Australia Bank;
- State Manager SA, Rabobank;
- Chair, Rural Financial Counselling SA;
- Chief Executive, Primary Industries and Resources SA (PIRSA); and
- Chief Executive, Department Water Land Biodiversity and Conservation (DWLBC)

Minister's Finance Sector Forums

The Minister's Finance Sector Forums were held quarterly to ensure the Government was keeping in close contact with financial institutions.

Chaired by the Minister, and attended by representatives of the major banking corporations and PIRSA Executives, the objective of the forums was to:

- update the government on the current financial situation facing primary producers;
- ensure that financial institutions were updated on industry issues and other factors affecting farm businesses, particularly those in the Riverland; and
- discuss potential strategies for the finance industry and/or government to implement in support of producers.

The forums focussed on the State's drought response and the financial implications for primary producers. The meetings evolved over the years from immediate implications of the drought on industry and individual farm financial performance, to a focus on recovery.

The Premier's Special Adviser on Drought provided constant updates and invited banking sector representatives to maintain ongoing discussions about client engagement and the approach by banks regarding debt resolution and re-financing.

Roundtable discussions addressed current issues for EC declared areas, production impacts, farm debt levels and equity, marketing and commodity prices, real estate values, and the immediate and the longer term planning required to manage the continued impacts of drought and the transition into recovery.

5.2 Program Management

The program management required a clearly articulated management structure, roles and decision-making authority within a risk management framework to ensure the considerable expenditure commitment could deliver a strong benefit to the state.

The Management structure (outlined at 5.1) enabled a timely, informed and accountable decision making and a capacity for clear and rapid communication of deliberations. The structure oversaw a tightly managed development, implementation and evaluation process.

Program planning was multi-faceted with oversight provided by the Premier's High Level Taskforce and industry and community intelligence was utilised to inform agency applications for approval to offer targeted support projects.

Individual project approvals were based on identified and/or emerging needs and capacity to deliver. Projects were developed to align with expected trigger points identified early in the program.

A phased approach to project delivery was implemented to provide the basis for proactive response to needs and to provide support to individuals and communities to move from crisis management through recovery to building capacity for future preparedness.

An integrated approach to project development and delivery formed the foundation for achievement of the collective program outcomes and allowed flexibility to continually manage and where required, implement adjustment to projects.

PIRSA as the lead agency provided leadership and program management of the delivery of projects. This was underpinned by clear principles of fair, participatory and adaptive governance and development of strong relationships between the committee structures implemented to oversee the Government's response.

PIRSA was responsible for the setting and reviewing of objectives in collaboration with the Premier's High Level Taskforce and Drought Response Team, coordinating activities across projects and overseeing their integration into final outcomes. PIRSA undertook key responsibilities across all levels, from the Chief Executive Officer chairing the Premier's High Level Taskforce and the Director of Sustainable Systems chairing the Drought Response Team. A small team within Sustainable Systems was responsible for the overall management and evaluation of the program and financial acquittal, including implementation and management of individual projects.

This involved ensuring accountability and adherence to program and project schedules, budget management, negotiating changes in projects and allocated resources and communicating periodic summary reports and briefings on progress and achievement of outcomes, including frequent updating of the Minister.

The review and approval of individual project plans through the Drought Response Team provided a transparent and highly accountable process utilising a risk management framework to maximise achievement of program outcomes.

Individual projects were governed by a simple management structure, with this being the responsibility of the agency involved.

In line with program governance arrangements, project managers were responsible for providing quarterly status and project closure reports to the program manager, PIRSA. This planned reporting informed overall progress of the program and highlighted project areas requiring amendment or additional resources and clearly informed closure of projects.

Formal evaluation of individual projects was at the discretion of the project manager and the delivery agency. In many instances, the required status and final reporting of a project was more than sufficient to validate completion of milestones and delivery of expected outcomes.

Financial management of the program was undertaken by applying Government fiscal principles where applications for funding were developed and ratified through the governing committee structure prior to presentation to Cabinet for approval.

Each project manager was responsible for acquittal of allocated funds with payment instigated through formal invoicing.

Program financial management was undertaken by the program administration team with regular reporting of status and predicted future expenditure requirements. The program Director was assisted in this role by a budget administrator. This enabled timely management and where appropriate re-allocation of funds to meet emerging needs.

6. THE RESPONSE: PROGRAM DEVELOPMENT

The State package of measures was designed with the intent of the National Drought Policy at the forefront. Specifically, the measures were designed to:

- be consistent with the agreed National Drought Policy; whereby there would be no separate State drought declarations, with EC being the trigger for access to business support measures;
- address the social, economic and environmental impacts of drought through an integrated response;
- provide a mix of measures that address immediate needs, help to accelerate recovery and assist in mitigating the impact of future droughts; and
- avoid measures that distort markets and influence risk management decision making.

Beginning in October 2006, the State introduced a phased series of support measures to complement the staged declarations of EC support to the 14 new regions.

This staged approach was in line with the changing National Drought Policy that was flagging a significant shift on emphasis from financial support and particularly away from fodder and transport subsidies to programs that more strongly promote drought preparedness.

The approach considered that inappropriate measures would create perverse outcomes that distort normal market conditions and undermine the risk management practices needed to run a viable farm business in Australia's highly climatic and financially variable environment, and potentially 'reward' poor management practice.

A phased approach to providing support was introduced in October 2006.

The phased approach addressed direct response, recovery and capacity building to build resilience and productivity.

While a number of other jurisdictions had offered a range of support mechanisms that were popular with landholders in the short-term, the evidence was that this approach does distort markets and undermines sound risk management during the inevitable adverse events, increases debt levels and eventually ends up as a cost to government and prolongs the hardship for non-viable businesses.

Differences between states did cause some difficulties. That South Australia appears to be less 'generous' than other states attracted lobbyists and media attention about the equity of drought support program across jurisdictions.

The importance of each stage of drought response being inclusive of social, economic and environmental factors was included from the beginning, with a strong commitment to the social sectors and importance of acknowledging and supporting the health and well being of individuals and communities.

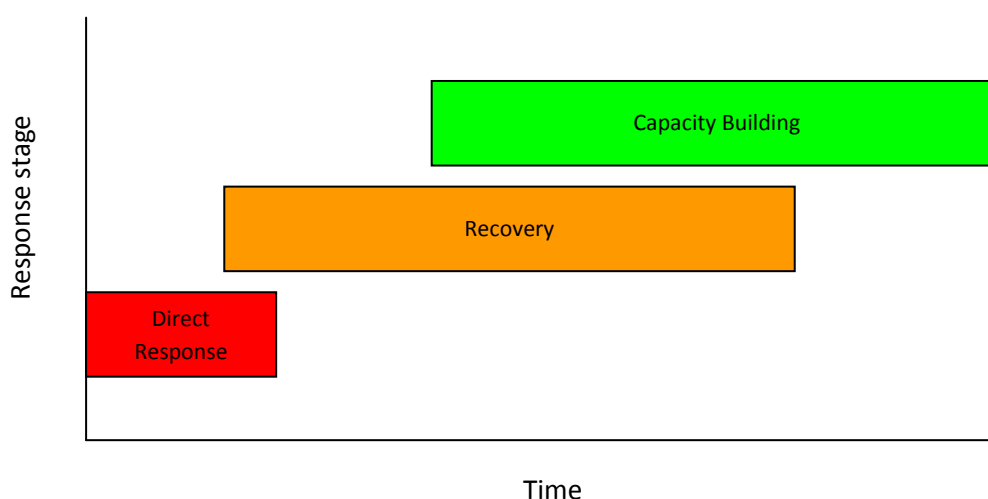
The phased approach sought to implement a range of measures that addressed immediate needs and/or had a longer term capacity building focus, rather than provide direct, market distorting subsidies.

The cornerstone of the Program was the focus on integration, recovery and building the capacity of communities to deliver ongoing benefits post drought.

6.1 Phased Approach

In developing the Program, the adopted approach was to deliver a greater number of smaller support packages rather than the same support in fewer, larger announcements. The program sought to address:

- a **direct response**: what can be done to mitigate the direct impact of the event;
- A **recovery**: what can be done to return the community to where it was prior to the event;
- **capacity building**: what can be done to improve the overall resilience and productivity



As outlined in the Figure above, the delivery of recovery and capacity building outcomes is a much longer and harder process than delivering the initial direct response program and it is important that this is accounted for in any package that is implemented.

Below outlines a generic response program (with indicative actions) that was employed.

Stage	Indicative actions
1. Response	<ul style="list-style-type: none"> • Information extension (e.g. media, workshops, etc.) • Implementation of appropriate management structures • Telephone Hotlines and Integrated websites • Provision of additional counselling services – financial, family, mental health • Community events grants • Direct assistance (eg. water carting relief, assistance to deepen bores, interest rate subsidies, welfare support, etc.)
2. Recovery	<ul style="list-style-type: none"> • Business planning and implementation support • Reseeding/restocking support • Workshops • Strengthening of community networks
3. Capacity Building	<ul style="list-style-type: none"> • Research and development projects • Business and risk management training • Leadership development programs

The Drought Response Team used this structure as a basis to develop an integrated drought response strategy that contained trigger points for the implementation of an additional mechanisms and/or elevation or extension of others.

Development of the Program was based on a consultative approach where the program was built by identified needs and implemented accordingly.

In excess of 120 initial project proposals were received for funding consideration. The Drought Response Team was responsible for prioritising submissions for approval by the Premier's High Level Taskforce.

Project Clusters

Proposals were clustered according to type of project and this assisted in ensuring that support provided covered all aspects of business and community needs.

The projects were initially clustered according to their focus on:

- business support;
- community and family support;
- mental health support;
- natural resources management;
- water resources; and
- research.

Business

Business support proposals were primarily focused around providing relief for costs associated with doing business. This included requests for relief associated with pay roll tax and stamp duty on insurance policies.

A number of these proposals were not approved as many were not consistent with the policy to avoid measure/subsidies that could influence the market, for example fodder and livestock transport, and water carting subsidies.

Community and Family Support and Mental Health Support

The importance of supporting the fabric of affected communities was highlighted from the commencement of the program. The SA Farmers Federation and Rural Financial Counselling Services of SA were strongly involved in informing the need for support in regions and distribution of resources and referrals to specialist practitioners

The call for proposals covered a range of measures to support the health and well being of individuals, of families and also of communities. Proposal included resources to provide:

- outreach community counselling services
- targeted psychiatric services
- specific support for men and women's mentoring support
- publications on personal care during difficult times, and
- easily accessed one on one referrals support for stressed people and families, and
- for community event to raise morale and bring people and communities together.

Country Health SA was the primary deliverer of specialist support,

Natural Resources Management

The severe climate conditions leading up to and in the early years of the drought placed considerable strain on the land, flora and fauna and water resources.

That ‘dust storms’ of the scale of previous times of drought did not occur is testament to the land management practices of the farming sector across the State. The overall condition of the land was severely challenged by the drought conditions, with good farm management practices assisting in mitigating severe damage to the landscape.

While the landscape was retained in remarkably good condition through very sound management, there was a program of technical workshops proposed that focused on best practice management of livestock and the land management.

Native flora and fauna was impacted, but generally not irretrievably. In some instances, specialist programs were implemented to ensure survival of endangered species.

Water Resources

In parallel with the Program the SA Government established an equally significant program to underpin the water security to the state: for critical human needs, supplies to irrigators and to key environmental asset. These programs were overseen by the Water Security Council which had strong ties to the High Level Drought Task Force and which delivered the majority of its measures through the Department of Water Land and Biodiversity Conservation.

A notable exception was a program to ensure special water supply to keep permanent horticultural plantings alive.

Research

Research has the capability to underpin future resilience and capacity to mitigate impacts of future adverse events. Past investment into research and development had already delivered significant productivity benefits to primary producers.

Focus research areas were considered to be the development of new production systems, as well as the improvement of existing varieties and management practices and proposal included:

- Enhancing the Resilience of Permanent Horticulture in SA;
- Drought Tolerance Traits for Wheat and Lucerne and
- Improving Use of Plant Available Water in Low rainfall Cropping and Pasture Systems.

6.2 Phases of delivery

Twelve phases of support were implemented from September 2006 and 30 June 2011.

Phase One: September 2006 (\$1.6 m)

Initial information provision

The initial funding phase provided a mechanism for primary producers and regional communities to access technical and drought related information.

This included the establishment of the SA Drought Link Hotline and website.

Phase Two: October and November 2006 (\$5.16 m)**Assistance to individuals and communities to cope with the impact of the drought,**

A primary focus on providing support to individuals and communities to cope with the impacts of the drought and included funding for rural community events.

This phase also funded the development of Exceptional Circumstances applications and additional rural financial counselling support for areas affected by the drought and debt mediation for eligible primary producers.

Further funds were injected into communication including continuation of the Drought Link Hotline and developing web based support to assist farmers in managing their businesses and cope with the stresses experienced during difficult times.

Funds for drought information workshops was included to assist farmer's deal with production issues, land management, rural financial counselling and mental health issues

Specific financial support measures funded included stamp duty relief for farmers who needed to refinance drought induced loans, waiving of water trade fees for irrigators purchasing water to 'top up' restricted water allocations and once off ex gratia payment to offset an equivalent amount of 40 per cent of the natural resources management levy paid by irrigators to the SA MDB NRM Board.

Phase Three: December 2006 (\$11.8 m)**EC interest rate support first round**

Phase three had a singular focus, that being to meet South Australia's obligation of 10% contribution towards interest rate subsidy assistance for primary producers in the Central, Western and Lower Eyre Peninsula, Murray Mallee and Upper South East 'Exceptional Circumstances' (EC) declared areas until March 2009.

Phase Four: February 2007 (\$13.8 m)**Focus on recovery and support for farming families,**

A primary focus on recovery and support of farming families. The Planning for Recovery program commenced, providing grants to eligible farmers to have a strategic farm business plan prepared with them by an external consultant and for implementing projects identified in that strategic plan. A continuation of funding to maintain the Drought Hotline until 30 June 2008 and concessions and remissions for drought affected families was included.

Phase Five: April 2007 (\$19.8 m)**EC interest rate support second round**

Phase five had a singular focus: to meet South Australia's obligations of 10% contribution towards interest rate subsidy assistance for primary producers in eight River Murray Corridor, Fleurieu Peninsula, Mid North, Yorke Peninsula, Clare Light and Barossa, North West Rangelands, Lower South East and Kangaroo Island proposed 'Exceptional Circumstances' (EC) declared areas until March 2009.

Phase Six: May 2007 (\$7.76 m)**Focus on supporting communities**

Phase six provided for:

- an additional six Rural Community Counsellors across EC areas to complement the two already in place in the Mid North and Upper South East;
- the Farmer Peer Support network ;
- an increased capacity of specialist rural psychiatric resources was funded;
- community capacity building education to improve mental health literacy and supportive response capacities of schools, school communities and parents, and
- An apprenticeship retention program was commenced to help retain apprentices in drought affected areas of the State.

Research programs were funded with the aim to develop 'drought proofing' strategies. This included projects on:

- reviewing crop husbandry and information sources on perennial horticultural crops with a particular focus to determine critical thresholds beyond which plant recovery is compromised under conditions of severe water restrictions;
- to develop control strategies for soil borne pathogens impacting on Lucerne establishment in low rainfall areas of SA;
- to identify molecular marker(s) for tolerance to drought to determine if linkages exist between drought and pest resistance genes and the impact of tolerance on yield; and
- to research management strategies to better utilise plant available water, thereby improving performance of the system.

Phase Seven: October 2007 (\$10.9 m)**Focus on supporting communities**

Phase seven provided the funding for the Regional Drought Coordinators for Eyre Peninsula, the River Murray and Northern areas and a young farmers rural leadership program.

The Planning for Recovery program funded in phase four was expanded and support was provided to accelerate the processing of ECIRS applications.

Phase Eight**Focus on supporting permanent horticultural plantings, October 2007 (\$67 m)**

Phase eight had a singular focus and provided funds for the purchase of Critical Water Allocations for irrigators in the River Murray Corridor to keep permanent horticultural plantings alive during restricted water allocations. At the time of the project application, water allocations were set at 15% of full allocations.

Phase Nine: October 2007 (\$16 m)**Focus on supporting communities**

To provide additional funding support to ensure current additional measures continued until 30 June 2009, with specific additional funding that would allow some programs, already fully subscribed or committed, to continue.

Programs provided with continuing funding under phase nine included:

- Planning for Recovery;
- Community Support Grants;
- Technical Support;
- Rural Financial Counsellors;
- Health and Well Being; Psychiatric Resources; Rural Community Counsellors and the Farmer Peer Support Network
- Schools; Grants and the School Bus Moratorium
- Apprenticeship Retention Scheme; and
- Labour Market Transition program.

Phase Ten: December 2009/10 (\$18.9 m)**Focus on supporting communities,**

Phase ten provided funding to continue the majority of the programs from Phase 9 into 2009/10 financial year and finalised a number of projects including the Labour Market Transition; and School Bus Moratorium.

Phase Eleven: August 2009 (\$46 m)**Focus on supporting permanent horticultural plantings,**

Phase eleven had a singular focus on providing funds aimed at protecting South Australia's multi-million dollar horticulture industry by ensuring the survival of its long-term viable plantings. The program was known as the Irrigated Industry Support Program.

Phase Twelve: August 2009 (\$6.02 m)**Focus on supporting communities,**

Phase twelve funded the extension of drought support measures from 1 July 2010 to 30 June 2011 (with the exception of School Bus Moratorium which would require additional commitment from its Department to 30 June 2010).

This phase finalised a number of projects including:

- Regional Drought Coordinators;
- Family and Business Mentors; and
- Health and Well Being support.

Funds were also provided for small research projects developed around developing an enhanced understanding of farm businesses and their capability to build resilience and retain profitability.

7. STATE DROUGHT RESPONSE - OUTCOMES

The State Drought Response program was developed to deliver on Cabinet's clear instructions, to make available a coordinated, whole of Government response; that was evidence based, innovative and flexible and responsive to regional needs.

The Program did deliver:

1. a Whole of Government Response; where
2. regional Leaders provided a conduit between Government and regions; to ensure
3. an Informed and Responsive Program; that was
4. phased in over time and Coordinated; with
5. rigorous Program Management arrangements and strong Leadership; that enabled
6. support for Businesses, Families and Communities; and
7. a Transition to Preparedness.

The Government's response was built on a foundation of collaboration and cooperation by implementing lessons learned from previous adverse events.

Unique cooperation and governance arrangements between agencies were the corner stone of the delivery of support in a coordinated, targeted and responsive manner.

The Program was about providing the regions, its people and communities with the support and resources to build resilience, preparedness and a stronger business and social fabric for the future. The achievement of this was possible only by the relationships developed and maintained throughout the five years and the vital involvement of regions in working in partnership with Government.

Effective decision making was a primary outcome of the inter-related roles of the State and Regional Taskforces who were collectively able to provide direction and transparent accountability to all individual projects and phases of support implemented.

Sound process ensured that all potential projects were highly likely to provide the expected outcomes within budget limits. Issues to be addressed were clearly defined prior to development of solutions and the expected outcomes. While a specific issue may have been the primary focus of a support program, the broader effect of the whole program were considered important to the development of resilience and capacity to move toward recovery and preparedness for future adverse events.

A sustained intent to ensure that decisions were made and actions implemented with minimal delay was evident from commencement of the Program.

Continual monitoring and reporting of projects was undertaken, with quarterly status and project closure reports a core requirement of implementation. Together, with planned evaluation of individual programs and of the Program as a whole, continual improvement of programs was enabled and ensured that appropriate support continued in regions with need and concluded, or amended where appropriate.

The clear and formal relationships between committees and monitoring and reporting of measures provided the foundation for flexibility and the capacity to be adaptive to emerging trends and needs.

The roles and responsibility definitions and expectations from the inception of the response, continuing over a period of five years, developed enhanced relationships and trust between and across government agencies and industry stakeholders.

A core component of the program was the appointment of the Premier's Special Advisor on Drought who was able to provide an important conduit of regional intelligence directly into the Government and governing committees.

PIRSA as the lead agency provided leadership and program management. This was underpinned by clear principles of fair, participatory and adaptive governance and development of strong relationships between the committee overseeing the program.

Consistency in management of the program, with involvement from industry and community stakeholders through to the Sub-Committee of Cabinet ensured a high level of on-ground intelligence was able to inform decision making and policy development.

Effective decision making was a primary outcome of the inter-related roles of the Taskforces who collectively were able to provide direction and transparent accountability to all individual projects and phases of support implemented.

Cross agency involvement in the development and delivery of support measures enhanced relationships and resulted in a collaborative approach that facilitated a purposeful effort on minimising impact on individuals and regional communities alike. The opportunity for agency representatives to raise specific issues and trends at regular and planned meetings ensured that solutions and future actions were able to deliver broad outcomes, mitigating continuance in crisis and moving carefully into actions that commenced the transition to recovery from the effects of the drought.

7.1 Regional Leadership

Regional input was vital to the responsiveness and appropriateness of the program.

Regional leaders came together to inform Government of their regions situation and critical needs. Each of the regions that were to be declared Exceptional Circumstance formed a Drought Taskforce. The longevity of the taskforces was varied and was indicative of the needs of the regions and capacity of the members.

This was the genesis of the Regional Drought Taskforces with membership inclusive of members of the farming industry and the Regional Development Board, Natural Resource Management Board and Local Government.

The foundation of local knowledge and ability to transfer local intelligence from the Taskforces was to become a cornerstone of the development and delivery of the program.

The volunteer hours and contribution to their regions by members of the Drought Taskforces was considerable. The diversity of networks and relationships of each member enabled a seamless connection with the regions and effective delivery of support.

The chairs of the Regional Drought Taskforces were a very important conduit of information flow between the regions and Government.

Having achieved their initial primary responsibility to inform Government in the development of their regions case for Exceptional Circumstances, these taskforces continued to look forward on behalf of their communities. Three Regional Taskforces (Eyre Peninsula, Rangelands and Mid North) continued to formally function throughout the duration of the program

In the Riverland, while the need was recognised, cohesion and leadership was problematic. That region was served by a Taskforce which dismantled and replaced by a Futures Taskforce which did not see its charter to come to terms with the immediate needs of its community. The Riverland Horticulture Reference Forum was able to fill that gap and in the Lower Murray, the Lower Murray Drought reference Group successfully performed the role of a Taskforce under a model of broader community involvement. In the Mallee, the Taskforce met irregularly as need arose.

Regional Drought Coordinators employed by PIRSA, but taking advice from the Regional Taskforces, also provided a conduit between communities, Drought Taskforce and the Government. They were in a unique position to gather information, understand this in the context of their region and provide a strategic insight into the intent of programs implemented under the support program.

Many members of Taskforces were interacting with the mechanics of government during an adverse event at a new level. Their involvement in developing solutions was an important focus to expand skills that would be useful in future when they would again be able to contribute on behalf of their communities.

The State Drought Response provided support to young farmers through the “Young Farmers Peer Support” program. The program aimed to develop leadership skills of young farmers and in turn help address leadership succession concerns facing many rural communities.

A research project called, “Kicking the Dust” was undertaken in the Eyre Peninsula and Mallee to explore issues experienced by young farmers. Twelve young rural people from across South Australia attended to help shape the Youth Leadership Program and outline the needs and concerns of youth in rural areas.

Two, six day Drought Youth Leadership Programs were run in 2008. The twenty eight young farmers subsequently joined the SA Rural Leadership Program Graduates Network and have stayed linked in since.

The development of future leaders in the regions was an important outcome of the program.

Funding was also made available for the “Ignite “ Program which was jointly sponsored by Drought Funding and GRDC to provide a training forum for 35 young farmers from across South Australia to gain information, build networks and receive mentoring from people involved in business in across rural South Australia.

“Strengthening EP” a leadership program held on Eyre Peninsula was also supported.

7.2 Program Management

Under the guidance of the Premier’s High Level Taskforce and the Drought Response Team, the Program was able to deliver a series of support measures that mitigated the potential negative impact that a drought over a number of years can have on the State’s economy and well being of its people.

The sustained involvement of Chief Executive Officers in over 80 well attended meetings over a five year period where a clear focus on decision making, achieving consensus and clarity in support measures coupled with enhanced networks and relationships is testament to the collaborative intent to deliver a successful program. As the program became more operational, attendance fluctuated according to needs.

Once the program became more settled under the management of PIRSA and the established networks, the role of the High Level Taskforce largely reduced to that of a listening / watching brief.

The Drought Response Team maintained an operational oversight of the Program with Directors participating in more than 80 meetings over the life of the Program.

In response to the state-wide impact of the drought, this initiative fulfilled a whole of government and regional leadership and coordination approach, with PIRSA planning, managing, coordinating and reporting on a \$115m program over a stressful and sustained 5 year period.

As a central portal for all Government agencies to provide input to the response measures and their implementation, this enabled a whole of government approach to delivery which was crucial to the timeliness and identified priority need for support.

PIRSA had well established networks and relationships in the regions that were critical to rapidly facilitating and supporting the formation of the Taskforces and community pathways.

The initiative was constantly challenged by there being no known end point to the drought and its impacts. The need to maintain the enthusiasm and morale of the extensive teams of service providers, the dedication to working with the community and for garnering an on-going and somewhat open-ended commitment from Government for the duration of the drought was critical.

The sustained leadership by PIRSA resulted in a very cohesive group of people from various agencies working together collegiately, to support the government's drought effort in South Australia, and encouraged the development and empowerment of regional communities.

This would be an ongoing achievement of the State Drought Support Program, and was recognised when awarded the Premier's Award for Building Communities in 2011.

Project Reporting

Continual monitoring and reporting of projects was undertaken, with quarterly status and project closure reports a core requirement of implementation and improvement. This was a core component of continual improvement of the Program.

7.3 Phased and Coordinated Approach

Drought affects are felt across the whole community. As with all adverse events, the effects get worse before they get better.

With this in mind, a phased and coordinated approach to delivering support evolved.

12 Phases of support were delivered over 5 years.

The program developed and implemented support that was appropriate from crisis to recovery to preparedness, akin to a prolonged application of emergency management response principles.

The capacity to deliver was strengthened by strong cross agency coordination and collaboration with representation of Chief Executives on the Premier's High Level Taskforce and Directors on the Drought Response Team.

The phased approach to program delivery was able to provide ready access to services and support in regions. Support was able to be commenced and ceased as identified need informed.

7.4 Informed and Responsive Program

The regions of South Australia cover diverse and disparate climatic zones that influence production systems and the timing, extent and severity of drought impacts. The types of and timing of support measures required needed to be informed and appropriate to individual regional needs. The

Response program was cognisant of the need for flexible, responsive and targeted support measures.

Centres were a 'one-stop' shop where farmers and members of the community were able to access information relating to drought support measures.

The evidence is that the ranges of measures were the right ones and their delivery 'hit the mark'.

The feedback in project reports, from Regional Taskforces, word-of-mouth and independent evaluation, is that the mix of business, family and community measures, the mix of financial, health and well being and skill development and retention programs had a significant and successful mitigating effect on the drought.

External evaluations validated that the Program:

1. Mitigated the impact of drought on: the State's agricultural production the State's economy; the fabric of rural communities; and the environmental landscape; and as a consequence
2. Supported: the potential for industry and communities to recover; rural communities to cope together and develop greater resilience; and expand regional capacity.

The Premier's Special Advisor on Drought. This position was able to transcend all levels of regions and their communities and Government to inform and broker solutions in challenging circumstances.

Regional Drought Taskforces were a vital link to Government; informing of changing needs of their communities and regions and provided input into support measures required.

Support measures were extended, amended or ceased based on the regional intelligence provided to the Drought Response Team and the Premier's High Level Taskforce. Agencies and the Rural Financial Counselling Service and the South Australian Farmers Federation were also important sources of information and able to validate the impact of the drought on the regions and their communities.

The Bureau of Meteorology and Department of Water Land Biodiversity and Conservation (later the Department of Water) provided regular updates on climate and river flows and predictions for the future that were very important to informing future support needs.

Regional Drought Response Centres

Two regional drought response centres were opened, one in the Riverland and the other on a part-time basis in Western Eyre Peninsula.

The centre based in the Riverland had staff from a number of agencies on location including Community Counsellors, Rural Financial Counsellors and the Regional Drought Coordinator. This allowed for easy and expedient referral to the most appropriately skilled practitioner.

7.5 Transition to Preparedness

Drought has been a frequent part of the SA farming history and with predicted impacts from climate variability and climate change; it is highly likely that these events will become more frequent.

A core focus of the recommendations of the review of National Drought Policy and the South Australian State Drought Response was the transition from crisis support to development of community and business capacity, thereby transitioning to preparedness for future events.

A clear intent of the State Drought response was to build the resilience of farm businesses to drought and preparedness for future adverse events, at the same time providing support to communities.

Planning for Recovery Program ('P4R')

A core component of the State Drought Response was the Planning for Recovery project.

Planning for Recovery aimed to facilitate a positive transition process to recovery with a focus on improving the preparedness and minimise the effects of adverse events in the future. The Program provided support to eligible businesses, of up to \$14,000, for those in receipt of an EC Interest Rate Subsidy. The grant was available in two stages:

- a. Stage 1 – Business Planning Grant up to \$4,000 - enabled eligible businesses to access expert support for the preparation of a business plan that incorporated economic, production, natural resource management and family issues.
- b. Stage 2. – Business Recovery Grant - On completion of the business plan, consistent with the program template, the business was then able to access a Business Recovery grant of up to \$10,000 to undertake actions that supported the implementation of eligible projects identified in the business plan.

This program expanded to provide opportunity for farmers to review their business plan. P4R provided grants of up to \$5,000 to farm businesses who had previously completed a business plan under the Planning for Recovery Program. The grant was available in two stages:

- c. Stage 1 – A Business Plan Review incorporating Direction Setting Grant up to \$2,500, enabling eligible businesses to access expert support to undertake a review of their business plan that included direction setting, incorporating economic, production, human and natural resource management, business, marketing and family issues.
- d. Stage 2 – Specialist Advice Grant - On completion of the business plan review incorporating direction setting, (that was consistent with the program template and approved by the Financial Administrator), the business was then able to access a grant of up to \$2,500 to engage a Specialist Advice Professional to provide advice in relation to issues identified in Stage 1, being the Business Plan Review plus Direction Setting report.

P4R was modified to provide support to eligible pastoral farm businesses that were impacted by a significant dust storm that occurred around the 21 September 2009, and irrigated farm businesses located below Lock 1 on the River Murray and who had been impacted of restricted physical access to water and damage to water infrastructure.

Both programs were administered according to the guidelines of the Planning for recovery Program and the Planning for Recovery Business Plan Review plus Direction Setting program.

Research Projects

A number of research projects were undertaken during the program, principally through SARDI, each with the explicit objective to continue to develop knowledge and capacity within the agricultural and horticultural sectors.

In the earlier stages of the program, research was focused primarily on improving understanding of crop traits and resilience to drought conditions and the impact of climate on water availability. Examples of research that was undertaken include “Enhancing Resilience of Permanent Horticulture”, “Drought Tolerant Traits for Wheat and Lucerne” and “Improving the Use of Plant Available Water in Low Rainfall Cropping & Pasture Systems”.

As the program progressed and with the intent to continue to inform the National Drought Policy and the State’s approach to providing support, focus was placed on gaining an improved understanding of the characteristics of farm businesses that predisposes some business to greater resilience to adverse events. An example of research undertaken was a project titled “Understanding traits of persistently profitable farm businesses”.

In 2010, the State produced a record crop – 10.6 million tonne of grain. From a production perspective, the State largely recovered in one year.

8. THE PROJECTS

In total 45 projects were approved by the Premier's High Level Task Force and funded through Cabinet in 12 delivery phases.

The projects are summarised in Appendix 4. Please note that while all reports are titled DRT # - then title of project, numbers are not fully consecutive. Projects funded were as follows:

DRT 2	Short Term Initiatives
DRT 3	Integrating Drought Communications
DRT 4	Drought Intelligence and Synthesis Project
DRT 6	Drought Information Workshops
DRT 7	Drought Technical Support
DRT 8	Preparation of Exceptional Circumstances Applications across SA
DRT 10	Case Studies of Industry Exits
DRT 11	Drought Response for Schools
DRT 12	Managing the Pressures of Farming – Web based application re stress
DRT 13	Farm Debt Mediation
DRT 14	Community Support Grants
DRT 15	Drought Forums
DRT 16	Additional Rural Financial Counsellors
DRT 17	Critical Water Allocation Scheme
DRT 18	On-Farm Support to Lower Murray Swamps
DRT 19	Characteristics of Persistently Profitable Businesses
DRT 20	Strategic Planning and Family Communication Workshops
DRT 21	Irrigated Industries Support Program
DRT 22	Generic Counselling Support for People in Drought Affected Communities
DRT 23	Extension of Drought Hotline
DRT 24	Planning for Recovery
DRT 25	Concessions and Remissions for Drought Affected Families
DRT 26	Drought Business Management for Irrigators
DRT 27	Managing 'Top Up' Water Licence Applications
DRT 28	Six Drought Relief Rural Community Counsellors
DRT 29	Farmer Peer Support Network Development
DRT 30	Early Intervention & Education for Rural Teachers and Parents
DRT 31	Specialist Drought Relief Rural Psychiatric Resources
DRT 32	Apprenticeship Retention Scheme
DRT 33	Assistance to Farm Families to meet Educational Expenses such as camps,
DRT 34	Moratorium on School Bus Routes Withdrawal in Drought Affected Areas
DRT 35A	Enhancing the Resilience of Permanent Horticulture in SA
DRT 35B	Drought Tolerance Traits for Wheat and Lucerne
DRT 35C	Improving Use of Plant Available Water in Low Rainfall Cropping & Pastures
DRT 36	Drought relief for River Murray Licences re NRM Levy
DRT 37	Young Farmer Package
DRT 38	Labour Market Transition Package
DRT 39	Regional Drought Coordinators
DRT 40	Accelerating Processing of ECIRS
DRT 41	Regional Communities Drought Fund
DRT 42	FarmBis Computers for Drought
DRT 43	Technical Support
DRT 43B	Drought Response Centres
DRT 43C	Family and Business Mentors
DRT 44	School Card

9. PROGRAM ACHIEVEMENTS

The State Drought Program was formally recognised for its successful contribution to rural communities. The program was awarded the Premier's Award for Building Communities (2011) in recognition of its contribution to building resilience and capacity of regional farming communities to respond to severe seasonal conditions.

Individual projects were also recognised, notably the "Men in Communities" implemented by Country Health SA that was awarded the Margaret Tobin awards that were established in 2004 in recognition of the contribution of the late Dr Tobin made to mental health reform in South Australia.

The "Men in Communities" program was recognised in 2009 for excellence in promoting and understanding of mental health in the community. The program promoted an understanding of mental health through mental wellness and by removing the stigma of mental health. More than 400 men were involved with this project which was aimed at men who live in rural settings.

Throughout the duration of the Program, a consistent and sustained approach was maintained that ensured the program had access to the best information and regional intelligence, and an unrelenting collaborative effort from Government agencies.

This was supported by the highly evolved and implemented governance principles, underpinned by best practice methodologies of program and project management that enabled Government to deliver on behalf of its regions and communities.

9.1 Support for Businesses, Families and Communities

The major platform of the Program was to provide targeted support to mitigate the immediate effects of the drought and prepare businesses, families and communities for future adverse events.

The financial stresses on farm business can have long lasting impacts, not just on the bottom line of the business but on the emotional and health and well being of the people in the business, families and through the roll-on effect, whole communities.

One of the key problems was the effects on people's mental health and wellbeing, and was identified as a result of financial pressures.

Businesses

Farm and farm dependent small businesses were supported by the joint Commonwealth / State Exceptional Circumstances Interest Rate Subsidy program, the State's Planning for Recovery program and the assistance of the Rural Financial Counselling Service.

Interest rate subsidies, the business planning grants and the rural financial counsellors were assessed by the range of stakeholders to have been effective in assisting farmers to manage and deal with their debt, plan for the future, provide practical assistance to businesses and revive lost confidence.

The Planning for Recovery program which provided support to farm businesses in receipt of ECIRS was to facilitate a transition process of recovery with a focus on improving preparedness and minimising the effects of future adverse events.

This Program supported farm businesses to develop and implement high quality business plans, which in turn would deliver significantly improved economic, production, family and natural resource management outcomes in the short and long-term. This approach aimed to assist farm businesses to

make decisions that resulted in them enhancing their profitability, reviewing their enterprise mix, varying their management regimes or exiting from the industry with dignity.

Access to specialist advice was also provided as a part of the Business Plan Review process funded under Planning for Recovery.

- *3,000 clients supported by Rural Financial Counselling Services SA*
- *2,450 businesses received Interest Rate Subsidies*
- *1,568 businesses benefited from Business Planning Grants*
- *300 people attended technical farm operations focused workshops*
- *50 workshops focused on communications and succession planning*
- *381 Specialist Advice Grants*
- *1,725 irrigators gained a Critical Water Allocation*

Specialist technical information workshops were important to providing access to relevant and up-to-date expertise to assist farm business managers in decision making. Workshops ranged from farm husbandry to family communication and succession.

The deterioration of River Murray flows into SA resulted in severe restrictions to irrigator water allocations. The Program provided financial support to irrigators to purchase Critical Water Allocations of horticulture plantings to ensure the survival of permanent plantings.

Families

Families were assisted through the Commonwealth's Exceptional Circumstances Relief Payments program, the Country Health SA proactive and preventative mental health and well being programs, and the critical assistance provided through the Department for Families and Communities.

In many cases, far reaching and devastating consequences were avoided. These included improving mental health outcomes, reducing the incidence of suicide and assisting with dire financial situations.

Family and Business mentors provided a vital local and accessible referral mechanism to professional support services.

- *4,200 people supported by Country Health SA Community Counsellors*
- *733 men assisted in the Peer Support Program*

The Rural Community Counsellor and Farmers Peer Support programs, delivered by Country Health SA provided help and support to farmers and rural communities to improve mental health issues. Having the knowledge of and an understanding of rural issues affecting people's lives, these 2 programs worked directly with clients and their families, their communities and referred and networked extensively.

Communities

Supporting the social fabric of the regions was identified as a key priority, was strongly supported through the South Australian Farmers Federation.

Communities were assisted through funds that supported morale building community events, through grants that assisted the retention of apprentices in the regions and to support farmers undertaking training to increase their skill base and/or provide opportunities for alternative employment.

The rural community grants were effective in bringing communities together through difficult times. The funds for skill recognition and development and retention of many employment positions greatly assisted the resilience of communities.

The retention of the workforce in regions was important to the well being of communities. Formal recognition of transferrable skills of farmers to increase their potential for off-farm employment

during the drought was important in providing an alternate income source and in some situations, provided opportunities to gain employment in the mining sector.

The Labour Market Transition project implemented by the Department of Further Education Employment Science and Technology (DFEEST) recognised the skills of farmers and provided further training to expand opportunities to gain work on and of farm, in particular within the mining industry.

Pressures on regional businesses due to reduced cash flow put at risk the capacity of employers to retain apprentices. DFEEST also implemented the Apprenticeship Retention project to assist businesses to keep young apprentices was implemented and supported young workers to stay in work and in their regions.

- *980 apprentices supported to remain in the regions*
- *742 farmers learnt new transferrable skills*

As the situation in the Riverland continued to deteriorate, the Irrigated Pathways project targeting irrigators was implemented. This project assisted irrigators to seek new employment opportunities.

Schools are a vital component of any community and are important to the fabric of communities under stress. Rural schools were exposed to exacerbated pressures during drought and targeted support projects were important contributors to maintaining near to normalcy for many families with school age children.

A moratorium was able to be placed on at risk school bus routes and bus runs that under normal processes would have been terminated were maintained.

A Drought School Card was made available in addition to the normal School Card program. This extra assistance was available for the 2007 to 2010 school years for families residing in EC declared areas. A simplified application procedure required only the signature of the school principal for approval. All benefits of the standard School Card system applied and were available to approved families.

Students approved for the Drought School Card were also provided with access to a \$150 grant for educational expenses not covered by the normal School Card, including school camps and excursions

These assistance measures were in addition to Commonwealth Drought Assistance for the three year period 2008 – 2010 which provided up to \$10,000 per annum to all schools in EC declared areas nation-wide. These amounts were available to be used at the discretion of schools in support of a wide variety of ongoing education expenses and activities

9.2 Program Evaluation

Continual monitoring and reporting of the program was undertaken, together with planned evaluation of individual projects and of the whole program support measures. Continual improvement of the program was enabled and ensured that appropriate support continued in regions with need and concluded or were amended where suitable.

The Program was independently evaluated on two occasions by external consultants, in May 2008 and June 2010. On each occasion, the program management team worked with the consultants to formulate questions to uncover a greater understanding of the merits and impacts of the measures. This resulted in direct feedback from regional communities and their leaders influencing continuing and new support measures. An internal survey of project managers was also undertaken in July 2008.

Results of mid-program evaluations were used to inform future decisions and project development and implementation.

Formal surveys and ad hoc feedback from Drought Taskforces, Premier's Special Advisor, Regional Coordinators, Industry groups and recipients of support were also used to monitor the program and to affirm delivery of outcomes and to gain early knowledge of any barriers to accessing the support.

Trends of ad hoc comments were able to inform need for change to projects, and more importantly, assisted in reallocation of resources to emerging needs.

Evaluation Number 1 – May 2008

The intent of this independent qualitative mid-program assessment was to undertake an evaluation of the perceptions of the range of initiatives already implemented and add value to the direction of the program. This was an essential process to measure its success and effectiveness.

The evaluation found that the best known of the measures was the Exceptional Circumstances Interest Rate Subsidies, Financial Counselling, Mental Health Support and FarmBis.

The least known Drought Assistance Measures were the Farmer Peer Support Network, Young Farmers Package, SA Drought Apprenticeship Retention Program, Labour Market Transition Program, School Expenses and Mental Health Training (predominantly for School Teachers).

Findings suggested that there was a general lack of awareness regarding specific programs. The majority of those surveyed were of a belief that there were no relevant initiatives which were important for their business, community or family. This was a reflection of support measures being somewhat targeted and 'private', so it's likely that people were unaware in a general sense.

There seemed to be no real patterns as to the type of initiative that those surveyed were likely to be aware of. It could be suggested that there was a general lack of awareness regarding specific programs by the wider farming community. The majority of those surveyed were of a belief that there were no relevant initiatives which were important for their business, community or family.

A comparison between irrigators and non-irrigators showed no major differences in responses, the greatest being in their awareness of water transfer fee initiatives.

An important finding of the evaluation was the understanding that the community based initiatives were considered most critical.

Evaluation Number 2 – September 2010

The second independent evaluation was conducted four years in and near the end of the program.

The purpose was to evaluate the overall performance of the Program from 2006 to 2010, to determine the level of actual and perceived benefit from the State investment in drought programs.

The evaluation measured whether the Program had been able to build or increase the level of resilience to extended periods of drought within:

- farming businesses; and
- rural communities.

It found that consensus from respondents was that although the Program did help in ways such as mental health and improving knowledge and skills, resilience was an aspect that comes from within communities themselves and not from the Program.

A consensus was around that had there not been any State Drought Support, more farmers would have walked / been forced off the land, that there would have been more cases of mental health issues and suicide and financial pressures would have been heightened if there had not been any State Drought Support.

One third of those surveyed agreed that the program helped their community become more resilient to adverse events. More than one third of those surveyed indicated that they thought the Program had been effective. While there was variability in comments relating to effectiveness of the program, respondents felt overall the response had been effective in moderating the impacts of the drought.

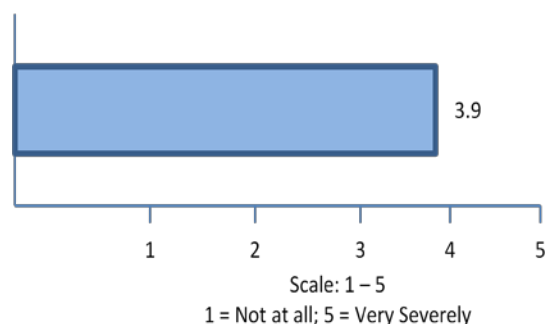
There was a consensus that more needs to be done in order to ensure sustainable, efficient and profitable farming practices into the future, and that farmers need to better prepare for droughts while they are in the midst of profitable seasons.

McGregor Tan Research, consultants engaged for the evaluation used a scale approach to quantify the responses from those surveyed, where:

1. Not at all severe;
2. Not severe;
3. Neither severe nor not severe;
4. Quite severely;
5. Very severely.

Illustrated is the result for the question:

How severely has your community been affected by the drought?



Salient data include:

- managing community health and well being (average rating of 3.4);
- assisting farm business in decision making and setting future direction in the transition to recovery or exit (average rating of 3.3);
- building resilience in your community (average rating of 2.8); and
- more than half (53%) of those surveyed rated the overall drought support program in terms of its coordination and delivery as either good or excellent.

The rural community grants were largely identified as being important as they brought drought affected communities together through barbeques and community events.

Among the many comments and suggestions provided, some revolved around the need for greater understanding of local areas and their issues, that support should be localised and those providing the support should work with local groups. Some respondents outlined the need for long term planning

Three quarters of survey participants outlined that their community had been severely affected by the drought, with a relatively high average rating of 3.9 (out of 5). The severity of the impact of the drought on their region's community was largely identified as that of severe through to extreme

McGregor Tan Research

and to move beyond a short term reactive approach to dealing with drought.

There were also major independent evaluations of:

- Planning for Recovery
- Farmer Peer Support
- Rural Community Counsellors

Planning for Recovery Program Evaluation

Independent research was commissioned on two occasions to undertake an independent survey of farm businesses which had undertaken the Planning for Recovery Program.

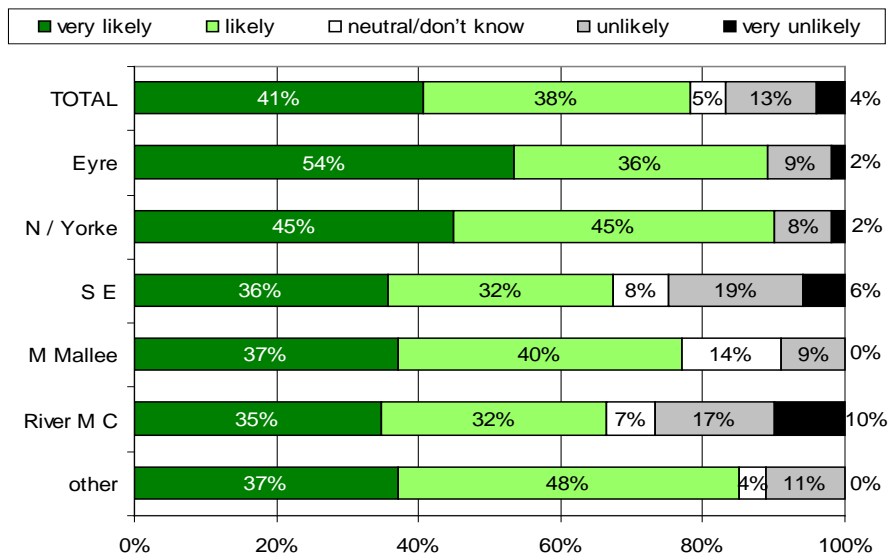
The program aimed to support eligible farm businesses to develop high quality business plans which in turn would deliver significantly improved economic, production, family and natural resource management outcomes in both the short and long-term. Farm businesses were then able to access an implementation grant to help them reduce the decline in condition of their core farm assets and provide a stronger platform from which recovery could be accelerated.

On the first occasion, 280 (of approximately 1,000 recipients of the program) telephone interviews were conducted in August 2008, with participants drawn from a range of areas across South Australia.

The main findings of the survey were:

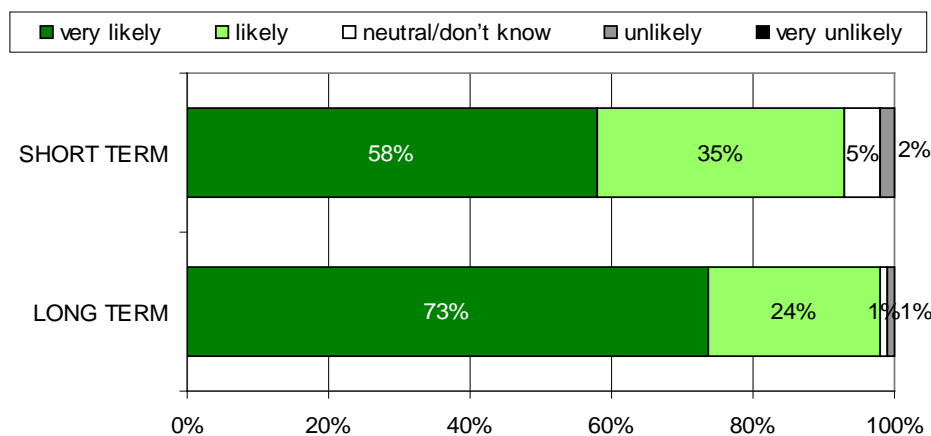
- 79% of respondents indicated they were likely to actively use their business plan in future;

LIKELY TO USE BUSINESS PLAN



- 62% considered themselves likely to update or revise their business plan;

PROJECT LIKELY TO HELP RECOVERY?



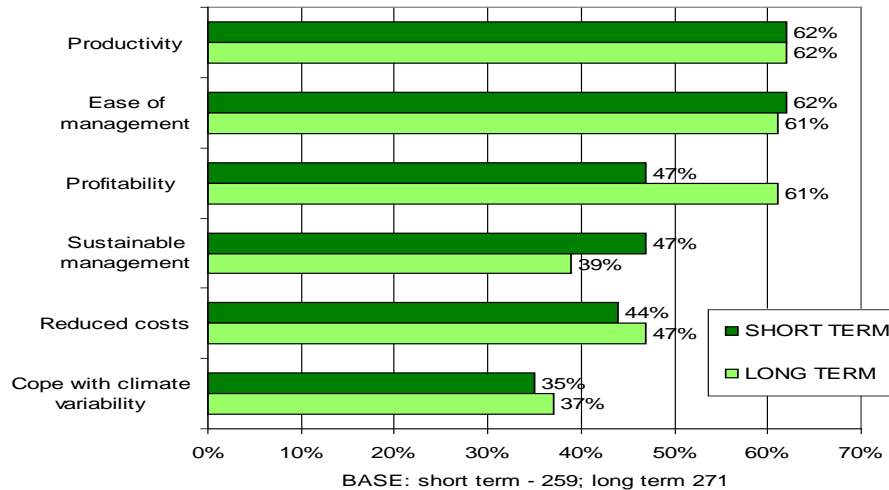
- 80% of all participants indicated that they would be interested in taking advantage of any future support that would assist them to revise/update their business plan;
- Just over half [55%] of the sample indicated that their project would have gone ahead in the absence of the grant. In 24% of cases, this would have been in a modified form;
- The vast majority of respondents – 93% - were of the opinion that the project they implemented was likely to help their property and business recover more quickly from the current drought;

When we asked the same question about the longer term, the likely response rose to 98%;

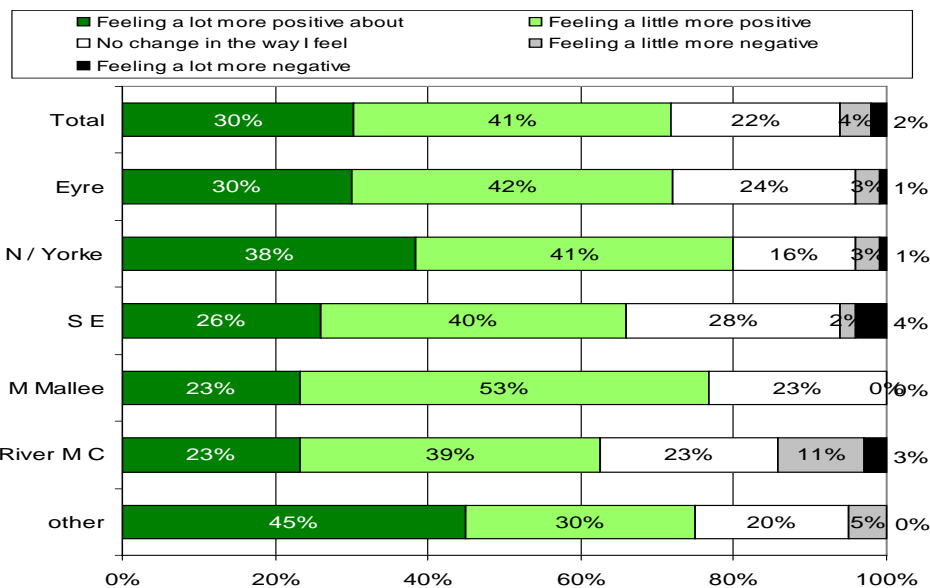
- The main benefits that were seen to follow from the project were:
 - productivity (increased/more stable);
 - profitability (increased/more stable);
 - ease of management.

- 60% of participants stated that they had had contact with Rural Solutions SA or PIRSA staff on any issues/questions regarding the Planning for Recovery program; and
- As shown below, this was the most highly rated aspect of the whole process, with a mean rating of 8.8. Most ratings averaged out to around 8 out of 10 which is a good result. The only aspect to rate significantly lower was value for money of the business plan [6.7].

TOP THREE BENEFITS ACCRUING FROM PROJECT



FUTURE OUTLOOK



A second independent survey was in June 2010 when 300 landholders were surveyed by telephone.

The main findings of the survey were:

- 30% indicated that they recalled any specific point from the presentation on farm business planning principles that was part of the initial session [up to 3 years previously];
- A mean score of 7.1 out of ten was calculated for this session, indicating adequate performance;
- 26% of respondents indicated that they already had a business plan in place before P4R;
- A few [7%] had developed their previous business plan under another scheme;

- Overall, 71% indicated they were feeling more positive while only 6% were feeling more negative as a result of developing their business plan under P4R;
- 79% indicated that developing a business plan had provided tangible benefits for their business;
- 76% of respondents indicated they were likely to actively use their plan in future;
- 65% considered themselves likely to regularly update or revise their business plan.
- One third [33%] indicated that they had applied for a Business Plan Review grant;
- A further 26% would be interested in doing so;
- Half [49%] of the sample indicated that their project would have gone ahead in the absence of the grant. In 18% of cases, this would have been in a modified form;
- The vast majority of respondents – 87% - were of the opinion that the project they implemented was likely to help their property and business recover more quickly from the current drought;
- When we asked the same about the longer term, the likely response rose to 93%;
- The main benefits that were seen to follow from the project were:
 - ease of management;
 - productivity (increased/more stable); and
 - **profitability (increased/more stable) – in the longer term**

What benefits has the business plan delivered?

UNPROMPTED [N=234]

(Inc. multiple responses)

Property easier to manage	34%
Productivity (increased/more stable)	25%
Family now more aware/committed	25%
More sustainable management of natural resources	22%
Profitability (increased/more stable)	13%
Reduced costs	10%
Greater ability to cope with climate variability	8%
Other	32%

- Overall, 86% of survey participants stated that they had already made changes to their business as a result of their involvement in the program; and
- The project itself was generally considered the most important part of the program but the planning phase was also acknowledged.

This evaluation also included questions relating to the **Business Plan Review** grants, put in place in 2009 to enable a review of a business plan developed earlier.

One third [33%] of all participants indicated that they had applied for a Business Plan Review grant. The question was asked whether they used the same consultant who developed their original plan, or whether they were planning to:

- Work with the consultant who developed the original plan 62%
- Work with a different consultant 33%
- Haven't chosen consultant yet 5%

The 61 respondents who had used the same consultant for both business plans were asked why;

- Happy with the job the consultant did on the original plan 77%
- The consultant already understands our business; did not have to over 57%
- consultant has specialist skills/knowledge about our industry not found elsewhere 28%
- Too hard to choose a different consultant 7%

Similarly, those using a different consultant second time around were asked to explain their reasons; responses below:

- Unhappy with the job the consultant did on the original plan 28%
- Our business needs changed significantly and we needed a different consultant 38%
- Like getting advice/ideas from a range of people (including consultants) 31%
- Original consultant was unavailable to review my business plan 26%
- Other 3%

If respondents had not taken up the opportunity for a further grant, they were asked why. Their responses fell into the following categories.

- Too busy/not got around to it 26%
- Not aware of this opportunity 23%
- Too soon since original plan was developed 13%
- Nothing much has changed – no need to revise 12%
- Do not believe business planning is of importance to my business 5%
- Unhappy with original plan 4%
- Have not implemented original plan 2%

Participants who had not already taken up the offer [202 respondents] were asked whether they would consider revising their plan in the future:

- Yes 79%
- No 21%

Those saying yes represented 53% of the total sample.

Farmer Peer Support Program Evaluation

Country Health SA commissioned this research in order to evaluate the success of the Farmers Peer Support Program (*Men in Communities*).

A particular focus of the Program was the transfer of knowledge about mental health issues to a broad range of people within local farming communities to assist in the early identification of colleagues who may have been beginning to show signs of difficulty in coping in stressful times and to ensure that personal and familial support was made available in a timely and appropriate way.

The specific purpose of the research was to ascertain:

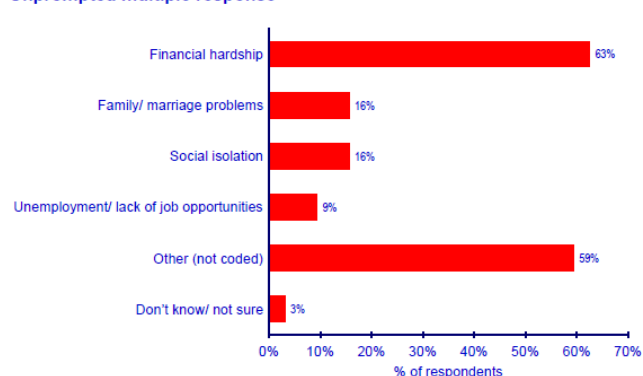
- the extent to which men felt able to support other men;
- if men felt better or more equipped to support men in the community; given the tools from Men in the Communities;
- if there was a perceived improvement in the community from the *Men in Communities* program; and
- if people within the community were better able to cope with change and stress

32 respondents who had previously participated in the *Men in Communities* Program were interviewed.

Those surveyed identified financial hardship, drought and unemployment as the key problems facing rural communities in their region, while problems that specifically affected men in the region were identified as financial hardship, depression and social isolation.

More than half of those surveyed indicated that they believed the level of anxiety or stress or mental illness such as depression was high among members of their community, with less than one quarter stating that it was low. The main cause of anxiety, stress or depression in the local community was clearly identified as financial hardship, generally as a result of poor commodity prices and poor crops.

4. What do you believe are the main causes of anxiety, stress or depression within your community?
Unprompted multiple response



The majority of respondents outlined that these problems affected men more than women, generally as men were the main money earners, the head of the family and that they did not talk openly about their issues, something which women were considered to be more capable of.

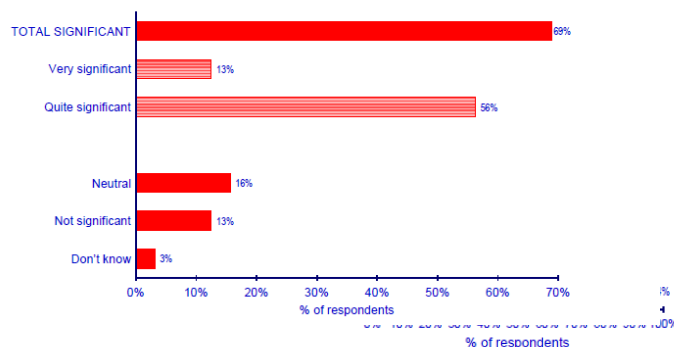
The problems of anxiety, stress and mental illness such as depression were considered to be equally prevalent among middle aged people and among those of all ages.

Two thirds of respondents agreed that the levels of anxiety, stress or mental illness such as depression equated to broad mental health issues within the community, largely as these issues had a flow on effect throughout the community and did not affect one group without affecting others.

Many of those surveyed indicated that they believed anxiety, or stress or mental illness such as depression had become a significant problem in the community, while few respondents outlined that these problems were not significant.

The majority of those surveyed did not believe that these issues were openly discussed in the community, especially among men. The reasons why this was the case generally revolved around men not openly talking about or freely admitting they had a problem, often as it was seen as a sign of weakness and also because of the stigma still attached to mental illness.

8. How significant a problem do you believe that anxiety, or stress, or mental illness such as depression in the community have become?



Three quarters of respondents outlined that they believed their community was supportive of men who experienced anxiety or stress or mental illness such as depression, and this was generally the case as the communities were accepting and willing to help those who have had any problems and because of an increase in seminars / sessions for men with these problems.

The overwhelming majority of respondents believed that they would know how to help a male friend or colleague who appeared to be suffering from anxiety or stress, or a mental illness such as

depression. Many of these respondents indicated that they had recently attended a training course or seminar which had equipped them with some of the knowledge and skills required for such a situation, including that they would listen and help where they could, but would also recommend an individual to seek professional help if they felt that it was needed or if the current situation was beyond their control.

General Practitioners were clearly named as the main professionals where men experiencing anxiety or stress, or a mental illness such as depression could go to for help, followed by local counsellors / rural counsellors.

Overall, there was a positive opinion of the *Men in Communities Program* among those surveyed, as it was relevant, informative and helped to increase awareness. Respondents' involvement in this Program was generally as a participant, of which many outlined that they got involved in the discussions. The main purposes of the Program were seen as raising awareness of mental health issues, providing support and to teach recognition of the signs of mental illness in order to help those who might be suffering.

Encouragingly, the majority of those surveyed stated that they felt better equipped to support men in the community given what they had learned at the *Men in Communities Program*, and this was generally the case as they now believed they had the knowledge to approach someone who might be having trouble and were more able to identify the signs of mental illness among their friends or colleagues.

Very high levels of agreement were attributed to the following (where 5 was strongly agree and 1 was strongly disagree):

- I have benefitted personally from participation in the Program (average rating of 4.1)
- I believe the Program has enabled people in the community to cope better with change and stress (average rating of 4.0)
- The Program has resulted in positive outcomes for men (average rating of 4.0)

The following recorded relatively high levels of agreement:

- I believe there has been an improvement in the community as a result of the *Men in Communities Program* (average rating of 3.8)
- The Program has results in tangible improvements in the community (average rating of 3.5)

These results indicated that, among survey participants, the Farmers Peer Support Program was considered to be vital to communities and was well regarded by those who had been involved.

Rural Community Counsellor Program Evaluation

Country Health SA commissioned this research in order to evaluate the success of the Rural Community Counsellors Program.

The program provided generic counselling and outreach support to people in drought affected farming communities in rural and outback SA and included those affected by low River Murray flows, as well as Recovery Management Support for rural communities emerging from the Drought.

Rural Community Counsellors were strategically placed to support those farmers/ farming and growing communities most affected by the current drought.

The specific purpose of the research commissioned was to ascertain:

- The level of acceptance of the Rural Community Counsellor Program in the community;
- Whether or not people were embracing this service;
- If there was a perceived improvement in the community from the service provided;
- If people were better able to cope with change and stress as a result of the Program;
- If individuals felt better or more equipped after seeing a Rural Community Counsellor; and
- If people felt more supported in the community.

24 respondents who had participated were interviewed.

Many respondents indicated that they believed there were high levels of anxiety or stress or mental illness such as depression in their community, with an even split between those who considered these levels to be 'quite high' and those who considered they were 'very high', while much fewer respondents believed that these levels were low. The main causes of stress or anxiety or mental illness such as depression in the local community were identified as financial pressures, largely as a result of the drought and poor commodity prices. Further, it was these financial pressures which were at the base of related issues such as family breakdowns and feelings of failure / hopelessness.

There were no groups identified who were considered to be more at risk.

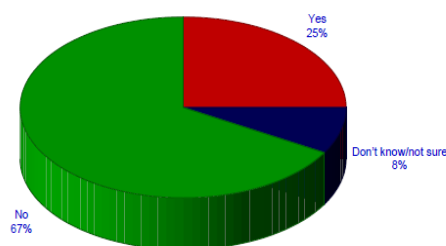
Many agreed that the current level of anxiety or stress or mental illness such as depression equated to a broader mental well being issue within the community, largely as these problems affected the entire community and that all were prone to be affected by it.

Around two thirds of respondents believed these issues were not openly discussed, as many were unable to admit they have a problem, along with an apparent unwillingness to talk about their problems, largely due to embarrassment and the stigma. Among the one quarter who felt that these issues were openly discussed they indicated that this was the case as more people have been willing to discuss their issues and that there has been a more concerted effort to raise awareness about mental health issues.

7. Do you believe that these issues are openly discussed in the community?

The main options identified by respondents as where people experiencing anxiety or stress or mental illness could go to for help included contacting their local doctor, counsellors / rural counsellors and church groups.

Just over half of those surveyed stated that they were aware of Government programs to promote awareness of issues relating to anxiety or stress or mental illness such as depression including Beyond Blue and the Rural Counsellors Program.



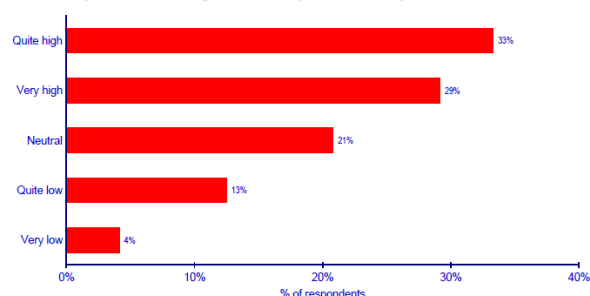
Similarly, just over half indicated that such programs for people had been provided in their community, such as rural counsellors and men's nights / programs.

When those who were aware of the service were asked to rate their level of agreement with a number of statements relating to the Rural Community Counsellor Service, the following recorded very high levels of agreement:

- The service has resulted in positive outcomes for the community (average rating of 4.4)
- I believe the service has enabled people in the community to cope better with change and stress (average rating of 4.3)
- I believe there has been an improvement in the community as a result of the Rural Community Counsellor Program (average rating of 4.2)
- The service has resulted in tangible improvements in the community (average rating of 4.1)

A relatively high level of agreement was associated with "I have benefitted personally from using this service" (average rating of 3.9).

2. How significant do you believe the level of anxiety or stress or mental illness such as depression is among members of your community?



The results indicated that, the Rural Community Counsellor Program was considered to be vital to the communities in which it operated and was well regarded by those who had been involved.

Whole of Program Final Evaluation

Summary of results of the independent evaluation.

Severity of the Drought

Three quarters (75%) of survey participants outlined that their community had been severely affected by the drought, with a relatively high average rating of 3.9 (out of 5). The severity of the impact of the drought on their region's community was largely identified as that of severe through to extreme.

Effectiveness of the State's Response to the Drought

More than one third (35%) of those surveyed indicated that they thought the State's response to the drought had been effective, with a mixed average rating of 3.1.

It was evident throughout many of the responses provided that respondents felt overall the State's response had been effective in moderating the impacts of the drought. There were many variations to this view, however, with some indicating that it had been average to somewhat effective, while others viewed as very to extremely effective.

There were a few consistent issues apparent among the responses provided. One underlying criticism which surfaced among a smaller proportion of respondents revolved around the selection of recipients who were eligible for financial support, as many felt there was inconsistency in the families and farmers that were eligible for support, and that the criteria for eligibility excluded many who needed financial support. There were also a few mentions of this causing problems within the community as some questioned why particular individuals received assistance and others did not.

Another underlying issue identified by some of those surveyed was that although the program was now effective, it was very slow in getting off the ground and some areas which were in drought, were not initially recognised as requiring support.

An apparent lack of long term plans, and assistance to ensure the survival of farms into the future was identified, with some respondents criticising the State's response as being overly focused on short term financial support of farmers, rather than assisting them to ensure the longevity of their farms.

Drought Programs that have delivered the Most Important Benefits

When asked which drought programs delivered the most important benefits, survey respondents identified the interest rates subsidy, business plans, rural financial counsellors and community grants.

The interest rates subsidy, business plans and rural financial counsellors were all deemed to have been important because of the help these programs gave individuals in effectively managing their debt, dealing with debt, providing a plan for the future, assisting businesses and reinstating some of the confidence lost as a result of the drought.

The rural community grants were also largely identified as being important as they brought drought affected communities together through barbeques and community events.

Incidence of State Drought Program Helping Communities Become More Resilient

The general sense was that although this the State Drought Support Program did help in ways such as mental health and improving farming knowledge and skills, resilience was an aspect that comes from within communities themselves and not from the State Drought Support Program.

33% of those surveyed agreed that the State Drought Support Program helped their community become more resilient to adverse events like drought, with a mixed average rating of 3.0.

Other Measures Needed to Make Communities More Resilient

Many of the measures identified revolved around advance planning and planning for the future.

Those surveyed implied that more needs to be done in order to ensure sustainable, efficient and profitable farming practices into the future, and that farmers need to better prepare for droughts while they are in the midst of profitable seasons.

Consequences if there had not been any State Drought Support

If there had not been any State Drought Support over the past few years, respondents outlined that more farmers would have walked / been forced off the land, that there would have been more cases of mental health issues and suicide and financial pressures would have been heightened if there had not been any State Drought Support.

Success of the State Drought Support Program

On a scale of 1 to 5, where 5 is very successful and 1 is not at all successful, those surveyed were asked to rate the success of the State Drought Support Program in a number of different areas.

An average rating of 2.5 to 3.4 represents a mixed level of success. All statements tested recorded mixed levels of successfulness, as outlined below:

- Managing health and well being (average rating of 3.4, with 48% identifying this as successful)
- Assisting farm business in decision making and setting future direction in the transition to recovery or exit (average rating of 3.3, with 45% identifying this as successful)
- Building resilience in community (average rating of 2.8, with 24% identifying this as successful)

State Government's Coordination and Delivery of the Overall Drought Support Program

When asked how they have viewed the State Government's coordination and delivery of the overall drought support program, there were a variety of responses provided by those surveyed.

Although there was in general a positive tone towards the coordination and delivery of the program (that it was well coordinated and well delivered), there still were a number of issues identified.

These issues revolved around some regions not receiving the support they needed, that some individuals were ineligible for support even though it was needed and that the drought support was inconsistent / began too late / finished too early.

More than half (53%) of those surveyed rated the overall drought support program in terms of its coordination and delivery as either good or excellent, with a mixed average rating of 3.4.

Further Comments or Suggestions

Among the many comments and suggestions provided, some revolved around the need for a greater understanding of local areas and their issues, that support should be localised and those providing the support should work with local groups.

Other responses identified that the eligibility criteria for assistance needs to be widened as there were farmers who required assistance but were ineligible for it, and that the assistance should go beyond farmers and take into account local businesses in towns that suffer the flow on effect from farmers not having the money to spend.

Some respondents also outlined the need for long term planning and to move beyond a short term reactive approach to dealing with the drought.

10. THE FUTURE: THE NEW LANDSCAPE

The Australian Government had conducted a review of drought policy that has supported the development of policies to help better prepare farmers and rural communities for a changing climate.

The review included:

1. an **economic** assessment of drought support measures by the Productivity Commission;
2. assessment by an expert panel of the **social** impacts of drought on families and communities; and
3. a **climatic** assessment by the Bureau of Meteorology and the CSIRO of the likely future climate patterns and the current Exceptional Circumstances standard of a one-in-20-to-25-year-event.

The Australian Government, in partnership with the Western Australian Government, conducted a pilot of drought reform measures in part of Western Australia commencing in July 2010. The pilot was put in place to test a package of new measures developed in response to the national review of drought policy. The measures were designed to move from a crisis management approach to risk management. The aim was to better support farmers, their families and rural communities in preparing for future challenges, rather than waiting until they are in crisis to offer assistance.

The pilot was initially in place from 1 July 2010 to 30 June 2011 and subsequently extended to June 2012.

South Australia was a significant contributor to development of the new approach and a keen observer of the National Pilot and its development. There are many components of the National approach to future drought support that had been influenced by the lessons learned in SA over the previous decade.

The focus on building stronger communities and readily accessible mental health support services are two examples of this state's influence on the pilot program.

Much of the National discourse about the future direction of the approach to adverse events refers to resilience: resilience of farm businesses and communities. Interestingly, program evaluation found that the consensus from respondents was that although the Program did help in ways such as mental health and improving farming knowledge and skills, it was asserted that resilience comes from within communities themselves.

To inform our approach, just what resilience meant was explored and defined, in the context of farm businesses as:

- where a business can manage ups and downs with minimal government assistance;
- where a business has the ability to stand a "shock" in production, financial, weather or personal;
- where people retain a strong ability to think through decisions logically (handle vicarious trauma);
- where there is financial strength, good business skills, access to information, mental agility; and
- where there is the right mindset, emotional strength and a determination to succeed.

Taking that definitional work into account, it was considered that the key principles guiding support programs for farm businesses needed to be inclusive of:

1. Strategic and Future planning;
2. All pillars and sectors of the business and its management;
3. Lifelong learning;
4. Developing capability in complex decision making; and
5. Supporting business transition through generational change or exit from industry.

The SA **Planning for Recovery** Program (2006 – 2011) was based upon these principles and also on a number of earlier event response support programs; droughts, fires and floods that had their genesis in the SA approach to the National Property Management Planning Program

11. Appendix One: EC Regions

Central North East

Action	Date	Duration	End Date
EC declaration	2002	9 years	2011

The area consisted of five Soil Conservation Board Districts:

- Part Eastern Districts Soil Conservation Board
- North East Pastoral District Soil Conservation Board
- Northern Flinders Ranges Soil Conservation Board
- Part Marree Soil Conservation Board
- Part Central Flinders Soil Conservation Board

The region comprised approximately 100,000 square kilometres with approximately 290 properties whose income relied on grazing of sheep (predominantly for wool production) and to a lesser extent cattle. The grazing resource was native pastures.

The area was bounded in the south by the River Murray, the east by the border with NSW, and the north by the Bollards Lagoon road. The western boundary was the boundary of Lake Torrens and the Soil Board boundary that followed the break between cropping and permanent grazing.

The majority of the properties were under Pastoral lease tenure (approx. 85%), which included conditions on the purpose to which the land is put and the maximum stocking levels for the lease. Perpetual leases formed the other main tenure, which assigned the land a particular purpose but did not impose maximum stocking levels. On advice of the Pastoral Management Branch of the Department of Land, Water and Biodiversity, five cattle properties outside the dog fence have been included in the region.

The region had an arid climate with hot, very dry summers and cool mild winters. Rainfall was low and variable. Generally there was no seasonality but in the southern and central part of the region, there was a weak winter rainfall maximum. Rainfall in the warmer months was highly erratic and often in the form of heavy showers, associated with thunderstorms.

The hottest part of the year was generally from November to March. Daily temperatures over 40 degrees had been recorded over most of the region during that time.



Upper North Cropping

Action	Date	Duration	End Date
EC declaration	2004	5 years	2009

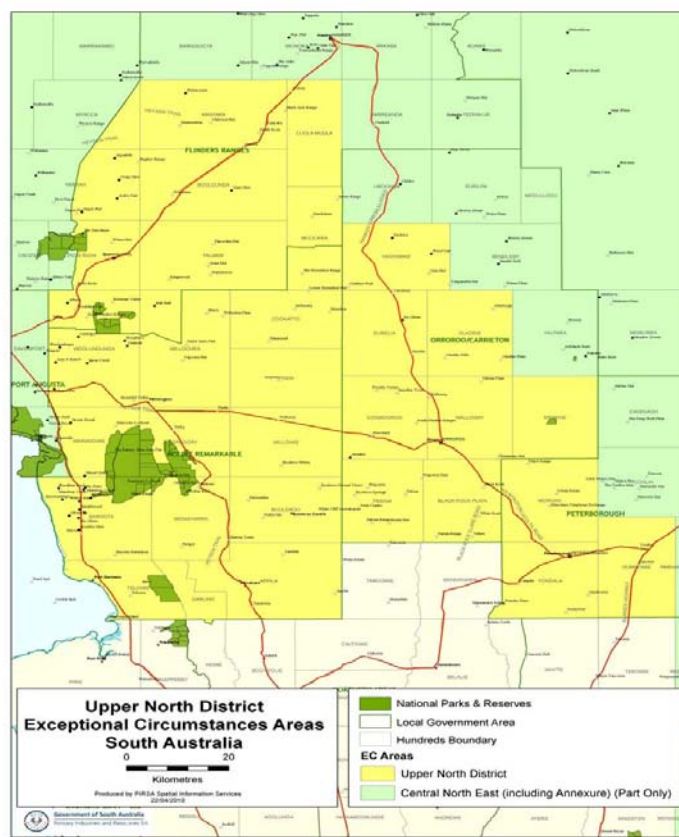
The Upper North farming area was characterised by low and at times erratic winter dominant rainfall with the result that crop yields were variable. Farm managers had adjusted to this variability over the years by developing a range of risk management strategies to help them cope with this variability. The farms in the area had traditionally used a ley-farming system, with wheat and merino sheep (wool) being the major enterprises.

The area affected included parts of the District Council Areas of Mt Remarkable, Flinders Ranges, Orroroo/Carrieton, Peterborough and Goyder.

The area was described in relation to the Hundreds where cropping occurred and where there were parts of Hundreds, roads and other features were used to delineate and describe the area.

It was expected that the area would have a 10km buffer zone, which would be most relevant on the southern boundaries and that the several isolated properties in the north near Hawker that regularly crop also were considered for inclusion.

Being adjacent to the pastoral areas, Australian plague locusts and plague grasshopper had at times caused problems. These plagues had been particularly prevalent over the previous 15 years eg 1987, 1992, 1997, 1998 and 2000.



With the poor seasonal conditions in these marginal cropping areas large numbers of kangaroos and emus had moved down from the pastoral areas further to the north and east to find water and feed. This had put pressure on both livestock feed and sown crops.

Farmers in the area were acutely aware of the need to manage the risk of dry seasons in this area of low rainfall. The margins for error were comparatively small and the risk of crop failures well understood and managed.

Upper South East

Action	Date	Duration	End Date
EC declaration	2006	3 years	

The Mid and Upper South East Region covered the council districts of Naracoorte/Lucindale, Kingston SE, Tatiara and those parts of the Coorong in the South East Natural Resource Management (NRM) Region.

The major towns within the area were Naracoorte, Lucindale, Kingston SE, Bordertown, Keith, Padthaway, Tintinara and Coonalpyn, with the largest town being Naracoorte with a population of less than 6000. There were many smaller towns within this region with populations of less 500. The area of the application covered 2.4 million ha.

There were approximately 1,730 producers in the area.

While the region was only a small part of the state it was a significant contributor to the state economy, most strongly in the areas of pasture seed (74%), pasture hay (49.1%), grain legumes (18.2), oil seeds (24.7%), wool (30.1%), milk (19.3%), sheep/lambs (34.8%), cattle/calves (44.3).



During previous times of wide spread dry conditions, the South East had provided much of the hay and grain to support affected areas, the most recent time in 2002. With poor conditions in 2005 and most particularly in 2006 there was going to be a very large reduction in the availability of fodder produced in this area coupled with a higher demand for fodder within the region.

Culminating in a lowest on record year in 2006, the Upper South East had experienced an unprecedented five years of low and untimely rainfalls, with severe frost and hot windy days at critical stages in crop production and pasture growth cycles.

Murray Mallee

Action	Date	Duration	End Date
EC declaration	2006	5 years	2011

The Murray Mallee Exceptional Circumstances region included portions of eight Local Government areas. The area was described as starting east at the South Australian/Victorian Border, then going north and west to the River Murray and the southern boundary is SA Murray Darling Basin NRM Board boundary, There was a buffer zone west of the River Murray that encompassed the Hundreds of Baggot, Fisher, Angus, Ridley and Finnis.

Karoonda, Pinnaroo/Lameroo were the main townships, none of which had a population in excess of 600 people.

The area covered by this application was approximately 40,000 square kilometres. The number of properties covered by this area was approximately 600.

The average annual rainfall for the region was between 200 – 350mm.

The Farmers in the region were progressive and used new technologies to be sustainable and protect the soils.



The Murray Mallee was a farming region, which had a high dependence on grain production with cropping and grazing the main land uses. Farming systems had been established around the regions usually reliable winter/growing season rainfall. The Murray Mallee produced around 10 per cent of South Australia's sheep and wool production and 10 per cent of South Australia's beef production

The compounded affects from the 2006 season compounded the financial and emotional devastation of previous years.

Lower Eyre Peninsula

Action	Date	Duration	End Date
EC declaration	2006	4 years	2010

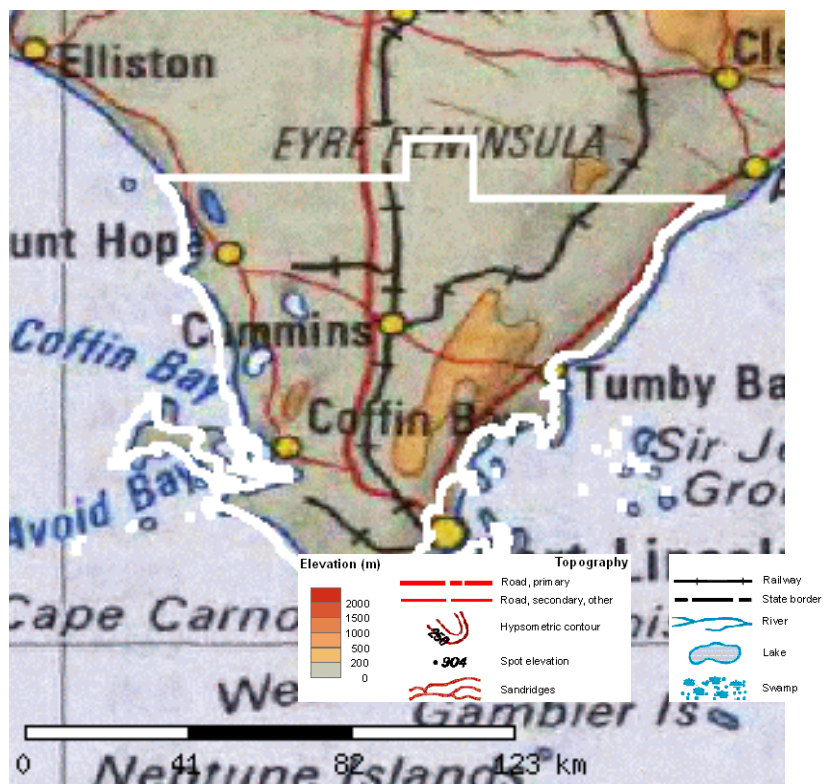
The Lower EP Exceptional Circumstances region incorporated the district councils of Lower Eyre Peninsula and Tumby Bay.

The total area was approximately 725,000 hectares. The district councils of Elliston, Cowell and Cleve formed the northern boundary and the balance of the region adjoins Spencer Gulf to the east and the Great Australian Bight to the west.

The area comprised 20% of the agricultural land on Eyre Peninsula.

The total population of the defined EC area, excluding the Corporation of the City of Port Lincoln (population 14,500), was 6,870. The principal townships were Tumby Bay, Cummins and Coffin Bay.

Port Lincoln was home to the largest fishing fleet in Australia and the major port outlet for grain produced on Eyre Peninsula.



There were 510 farming businesses in the area, with farmers in the region considered to be progressive.

Over the past 10 years there had been a major shift to sustainable farming systems. Most farmers had adopted minimum tillage and stubble retention practices in their endeavours to maximise water use efficiency and productivity and eliminate erosion.

Lower Eyre Peninsula had experienced an unprecedented five year cycle of low and untimely rainfalls, culminating in a lowest on record year in 2006. Modelling work undertaken indicated that this five year period was amongst the worst experienced since records were kept.

The impacts of the low and erratic rainfalls combined with damaging wind events had resulted in a severe downturn in production and farm finances of exceptional rarity.

Central Eyre Peninsula

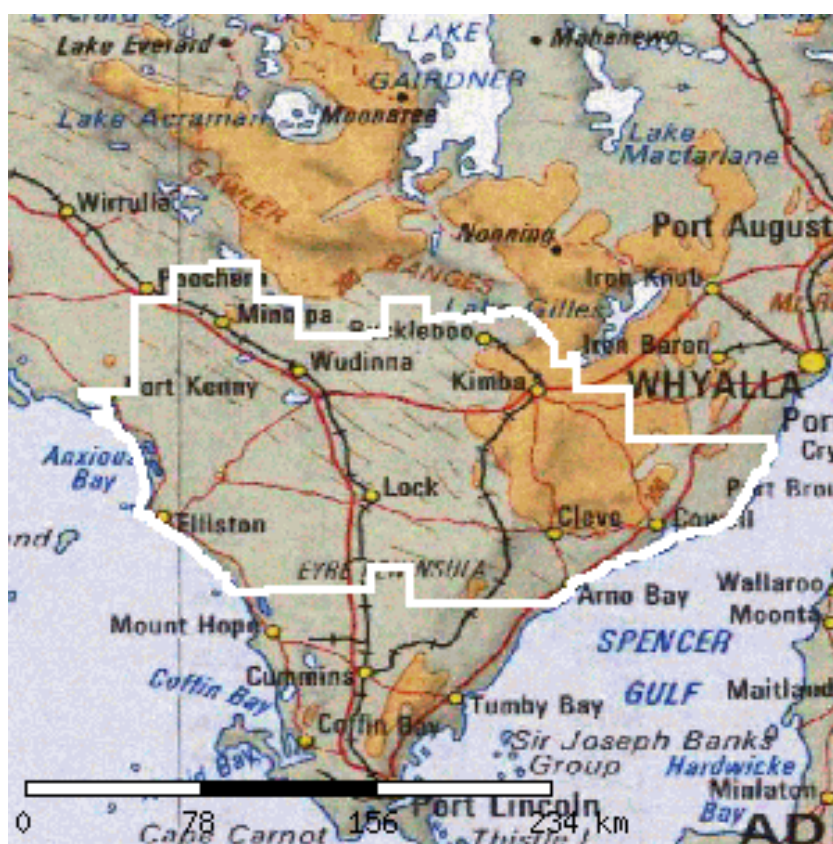
Action	Date	Duration	End Date
EC declaration	2006	4years	2010

The Central Eyre Peninsula Exceptional Circumstances region incorporated the district councils of Cleve, Elliston, Franklin Harbour, Kimba and LeHunte, and Unincorporated Lincoln area located between the local government areas of LeHunte.

The total population of the defined EC area was 6,900 with a total area of 2.3 million hectares comprising 60per cent of the agricultural land on Eyre Peninsula.

The five-year period between 2002 and 2006 had been exceptionally hard on the agricultural sector in the Central Eyre Peninsula, with significant production losses experienced in 2002/03, 2004/05 and 2006/07.

In 2006/07, the Central Eyre Peninsula region experienced decile one-rainfall conditions across the May to October growing season, with the lowest rainfall on record recorded during the critical August to October finishing period.



This culminated in primary producers within the region being unable to generate sufficient income to cover costs, increased debt and/or depletion of assets, to the extent that many found it difficult to continue their business operations.

Western Eyre Peninsula

Action	Date	Duration	End Date
EC declaration	2006	4 years	2010

The Western Eyre Peninsula Exceptional Circumstances (EC) region incorporated the district councils of Ceduna and Streaky Bay and a portion of the Unincorporated West Coast Area, up to approximately the eastern boundary of the Yalata Indigenous Protected Area.

The total area was approximately 1.3 million hectares. The district councils of LeHunte and Elliston formed the eastern boundary, the north was bounded by the South Australian rangelands, regional reserves and conservation parks, the south by the Great Australian Bight and the west abutted the Yalata Indigenous Protected Area.

The total population of the defined EC area was 5,800. Ceduna and Streaky Bay are the principal townships. The major regional centres of Port Lincoln and Whyalla were located well outside the defined area.

It comprised 20 per cent of the agricultural land on Eyre Peninsula. There were 177 farming businesses in the area.



Annual rainfall across the region was generally within the 300-400 mm range.

Farmers in the region had learnt to cope well with adverse seasonal conditions. Over the previous 10 years there had been a major shift to sustainable farming systems, with most farmers adopting minimum tillage and stubble retention practices in their endeavours to maximise water use efficiency and productivity and eliminate erosion. Crop yields per unit of growing season rainfall had increased significantly and soil erosion had markedly reduced.

Culminating in a lowest on record year in 2006, the Western Eyre Peninsula had experienced an unprecedented five years of low and untimely rainfalls, with severe frost and hot windy days at critical stages in crop production and pasture growth cycles.

River Murray Corridor

Action	Date	Duration	End Date
EC declaration	2007	? years	2012

The region 'overlayed' the edge of the previously declared region of the Murray Mallee, abuts and had some overlap with the Central North East Pastoral EC Declared region and abutted the 'Mid-North region which was also being considered for EC declaration.

It included the hundreds of: Bonney, Baker, Alexandrina, Bremer, Freeling, Brinkley, Malcolm, Seymour, Burdett, Mobilong, Younghusband, Finnis, Angas, Ridley, Forster, Bagot, Fisher, Bowhill, Nildottie, Paisley, Skurray, Murbko, Hay, Eba, Cadell, Lindley, Stuart, Markaranka, Waikerie, Holder, Poognook, Parcolla, Moorook, Pyap, Loveday, Katarapko, Bookpurnong, Gordon, Paringa and Murtho and included all other land north of the river up to line from the northeast corner of the Hundred of Parcolla to where the river crossed the Victorian border at Chowilla; this included the District Councils of Berri-Barmera and Renmark - Paringa.

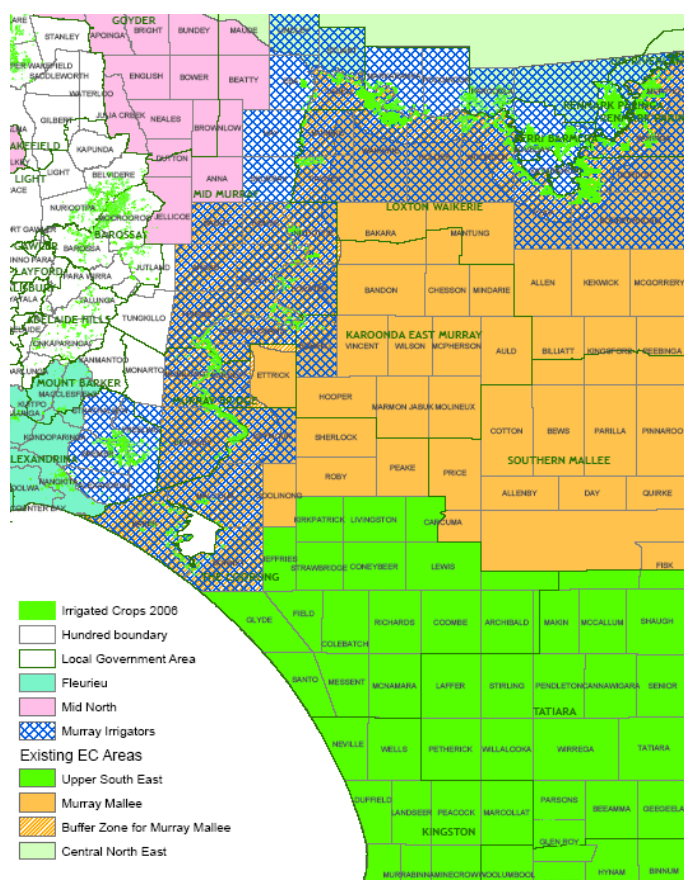
There were two sub-regions:

Lower Murray and Lakes

incorporated the relevant hundreds from the District Councils of The Coorong District Council, The Rural City of Murray Bridge, Mid Murray District Council, Southern Mallee District Council, Karoonda East Murray District Council, Unincorporated Murray Mallee, Alexandrina District Council - Coastal; and Alexandrina District Council - Strathalbyn.

The **Riverland** incorporated the relevant hundreds from the District Council's of Berri – Barmera, Renmark – Paringa and Loxton – Waikerie.

The EC case was based upon the certainty of impending drastically reduced flows in the River Murray and the subsequent severe restrictions to water allocations and in many cases, to access to water for irrigators.



Fleurieu Peninsula

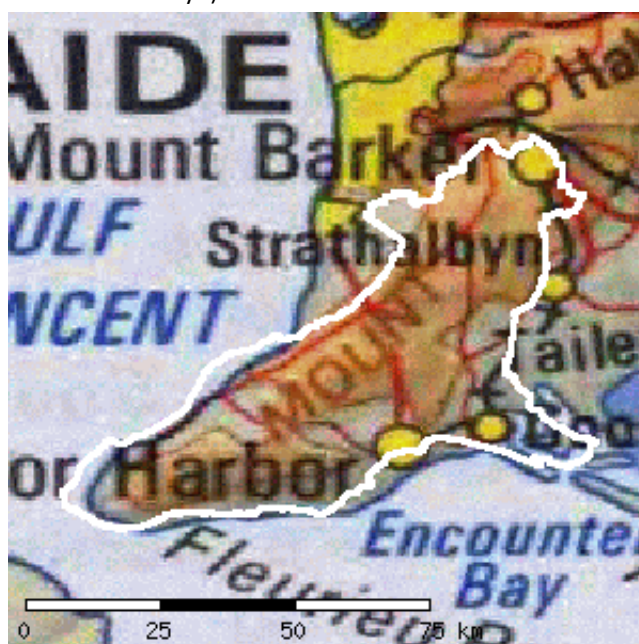
Action	Date	Duration	End Date
EC declaration	18 April 2007	3 years	2010

The dairy industry dominated the Fleurieu Peninsula in a landscape otherwise comprised of non-commercial hobby farmers.

The region incorporated the Local government councils of; Yankalilla, Victor Harbour, Alexandrina (excluding the hundreds of Alexandrina, Bremer and Strathalbyn) and hundreds of Macclesfield and Kuitpo from the Onkaparinga and Mount Barker District Council areas respectively. The main towns in this region were Victor Harbour, Goolwa, Meadows, Yankalilla, Mt Compass, and Myponga

This application focused on the 110 dryland dairy producers and 140 commercial sheep or beef producers that were considered to be not as severely affected by the seasonal conditions as the high input-output dairies.

The Fleurieu region normally had reliable rainfall and stable climate. The rainfalls of the previous five years however, proved to be both unpredictable and below to well below average; a set of cumulative circumstances not previously encountered.



The critical element of the impact had been that over the 2002-2006 period producers had needed to purchase unprecedented levels of extra fodder, to meet feed gaps, with the required quantity and quality of that frequently being unavailable due to drought conditions in supply areas in other parts of the state.

Exacerbating the feed and fodder situation had been the water shortages varying from low supplies from on-farm storages, culminating in severe shortages in the 2006-2007 summer.

Mid North

Action	Date	Duration	End Date
EC declaration	2007	3 years	2010

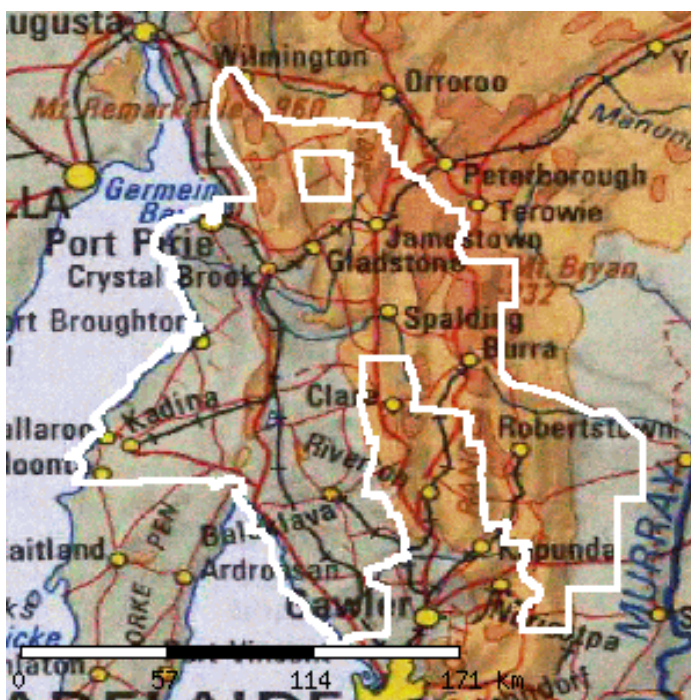
The EC area included the local government regions of District Councils of Copper Coast, Barunga West, Regional Councils of Port Pirie, Wakefield; Northern Areas Council, Mid Murray Council (Hundreds of Dutton, Anna, Brownlow, Jellicoe, Maude and Beatty); portions of councils of Mt Remarkable, Orroroo/Carrieton, Peterborough, Mallala, and Goyder not already under full EC declaration and inclusive of existing buffer zones.

The main regional townships included Kadina, Crystal Brook, Pt Pirie, Jamestown, Burra, Balaklava and Eudunda, the economies of which were underpinned by the surrounding agricultural production and secondary small businesses.

The region was highly variable in its rainfall, agricultural enterprises, average seasonal conditions. Annual rainfall varied from less than 200mm to approximately 550mm, with some areas experiencing significant frost periods.

The five year period between 2002 and 2006 severely impacted on agricultural enterprises in the Mid North region of South Australia. During 2006/07, Decile one rainfall conditions were experienced for the majority of the region, which resulted in significantly below average yields and pasture growth.

The cumulative impact of these adverse seasonal events were such that many primary producers had depleted most or all of their financial assets, had increased their debt and equity levels in order to continue operations, and had failed to generate sufficient income over that period.



Yorke Peninsula

Action	Date	Duration	End Date
EC declaration	2007	3 years	2010

The Yorke Peninsula region incorporated the District Council of Yorke Peninsula, and was over 58,000 hectares in area.

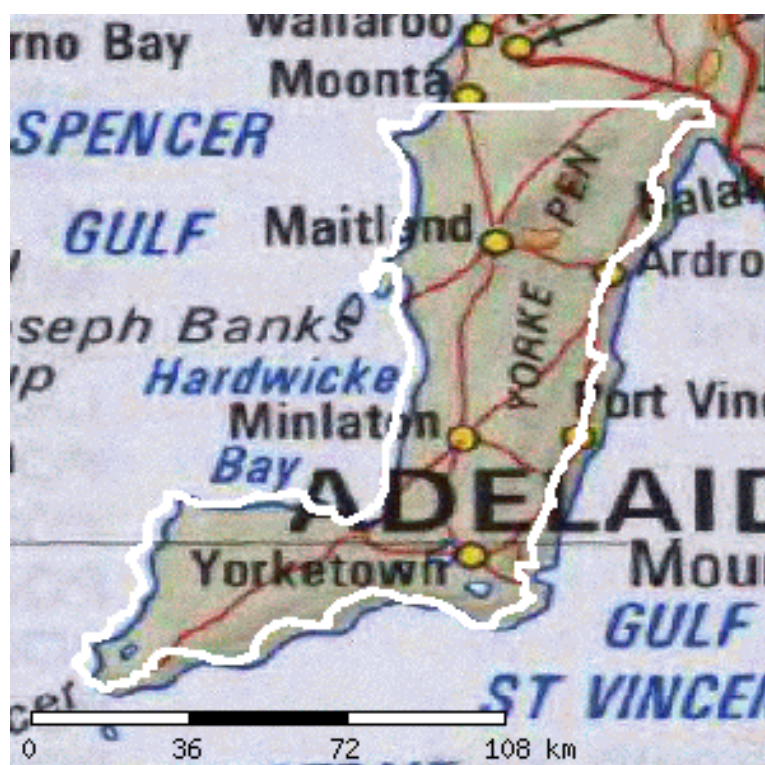
Approximately 11600 people resided in the district (based on 2001 figures).

The main towns included Maitland, Minlaton, and Yorketown, the economies of which were underpinned by a combination of primary production (including aquaculture) and seasonal but significant tourist visitation. Major grains shipping ports were based at Ardrossan, Port Giles and Wallaroo.

The main agricultural commodities for the Yorke Peninsula region were wheat and barley with some canola,

however it provided a suitable environment for successful harvesting of many legumes such as field peas, beans, chickpeas, lentils and lupins assuming average seasonal conditions. Minimal till techniques had been widely adopted throughout the Yorke Peninsula, resulting in good land condition, sustainable practices, and increased rainfall efficiencies.

The cumulative impact of a series of adverse seasonal events had been such that many primary producers had depleted most or all of their financial assets, increased their debt and reduced equity levels in order to continue operations, and had failed to generate sufficient income over that period.



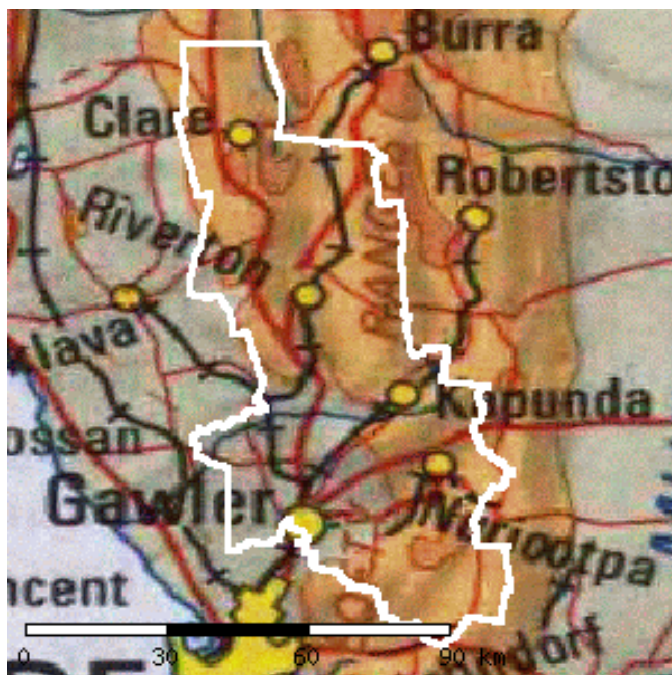
Clare, Light and Barossa

Action	Date	Duration	End Date
EC declaration		3 years	

The Clare, Light and Barossa EC area contained the local government regions of Clare and Gilbert Valleys Council, Light Regional Council and the Barossa Council. Main towns within the Clare, Light and Barossa included Clare, Kapunda, Nuriootpa and Tanunda.

The region consisted of 397 695 hectares. The population was almost 40 000 people in 2003, with over 343 cropping enterprises and approximately 145 livestock enterprises (cropping enterprises were almost double in number compared with livestock production). The balance of enterprises was strongly biased towards cropping in the Clare and Gilbert Valley, and Light portions of the region, outweighing livestock production by approximately 6 enterprises to 1. In the Barossa region, there were approximately 4 livestock enterprises for every cropping production system.

The region was highly variable in its rainfall, agricultural enterprises, average seasonal conditions and impacts as a result of the adverse seasonal conditions.



Dryland cropping producers, grape growers, and livestock producers were particularly impacted by adverse seasonal events in 2002, 2004 and 2006, with poor commodity prices not allowing a reasonable recovery in the years between these events. Lower than average rainfall was received in 2002 and 2006, severe and prolonged frosts in 2006, with 2004 receiving a late break to the season followed by a severe hot wind event in October.

The 2006 season resulted in decile one rainfall conditions for the Clare and Gilbert Valleys area. This was slightly less severe for the remaining two local government areas in the region.

North West Rangelands

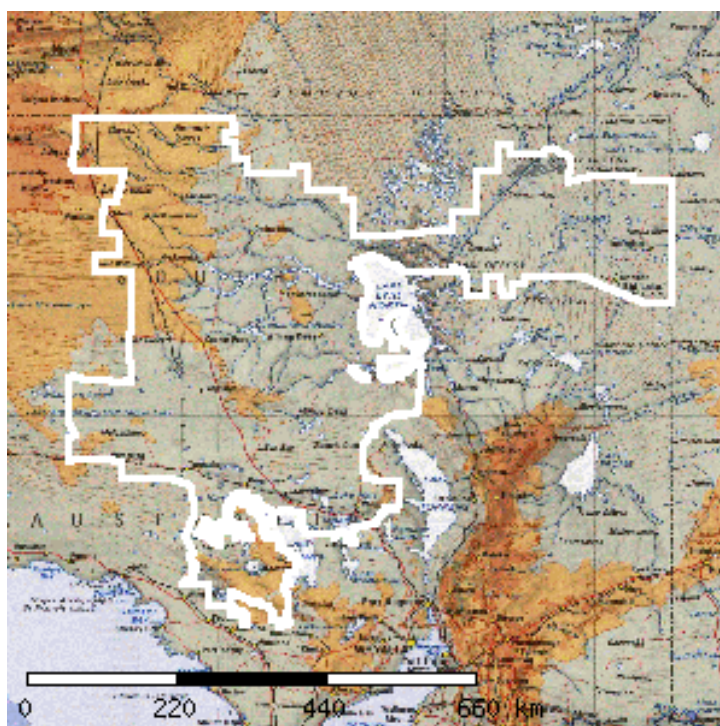
Action	Date	Duration	End Date
EC declaration	2007	4 years	2011

The North West Rangelands and was described as the pastoral leases to the:

- North and West of the existing Central North and Central North East Exceptional Circumstances declared areas and the Queensland border,
- South of the Far North Exceptional Circumstances declared area and the Northern Territory border,
- East of the Alinytjara Wilurara NRM Board region and
- North of the District Councils of Ceduna, Streaky Bay, LeHunte and Kimba.

The region covered approximately 255,000 square kilometres and both the area in general and properties within the area were large. It was arid, remote and sparsely populated, apart from the few, mainly small, mining centres located within it

Significant variations in weather, land type, vegetation, topography and access to potable water occurred across the region and within individual properties.



All properties in the area were under Pastoral Lease tenure and administered by the Pastoral Board of South Australia. The Board oversaw compliance of pastoral leases to ensure the land was sustainably managed and not overgrazed.

The western side of the region is dissected by the Stuart Highway, the major linking route between southern and northern Australia. The only other significant roads were the unsealed Oodnadatta and Birdsville tracks in the centre and east of the area.

There were approximately 60 pastoral businesses in the region, 40-50 of which were potentially the subject of the application. Large tracts were owned by several corporate entities, which had substantial property interests in other regions of Australia. This offered a degree of drought proofing capability for these entities, as they were able to relocate livestock to areas not as severely impacted by drought. The corporate businesses were not eligible for Exceptional Circumstances support.

Lower South East

Action	Date	Duration	End Date
EC declaration	2007	2 years	2009

The region was 708,335 hectares with 60% of this area being used for agriculture. A significant proportion of the remainder was under plantation forestry. The region incorporated the regional city of Mount Gambier that had a population of 23,000.

Historically, the region had reliable rainfall, fertile soils, abundant supplies of aquifer ground water and consequently production systems characteristically had high inputs and outputs.

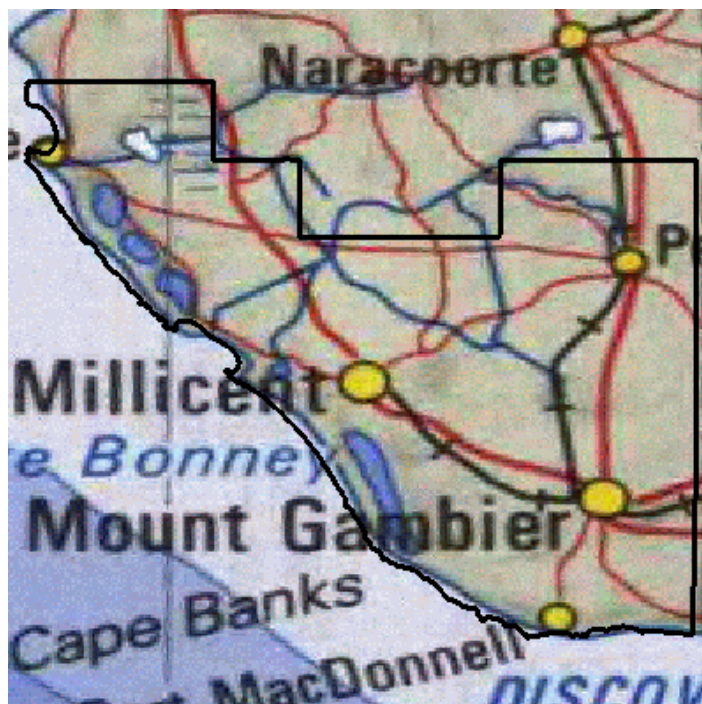
In 2001, according to the ABARE date in NAMS, there were 1,100 producers.

With the LSE's reliability, primary producers had normal expectations that seasonal

conditions and financial circumstances would 'bounce back' quickly after poor years, but the run of bad season had not given producers the opportunity to recover. Over the five years there had been accumulated poor production and high debt loads.

The dairy industry was the hardest hit by the exceptional drought seasons.

Over the 5 years, production and farm finances had been steadily going backwards, with successive seasons not enabling recovery from the previous poor season, sending producers further into debt.



Kangaroo Island

Action	Date	Duration	End Date
EC declaration	2007	3 years	2010

Kangaroo Island is located 15km south west of the tip of the Fleurieu Peninsula. The island was up to 55km wide and 155km long and covered an area of 4,400 square kilometres. 41% of the Island's land base lay within protected areas (national and conservation parks, wilderness protection areas and private conservation areas). The island incorporated the one Local Government Area of Kangaroo Island. The administrative and service centre of the Island was Kingscote with Penneshaw and Parndana the other major service towns.

Out of 312 agricultural enterprises, 169 farms were classified as sheep enterprises with a further 67 classified as grain/sheep/beef and 34 sheep/beef. Most farms were mixed farms to some extent with cropping components on the sheep farms providing fodder for livestock. The remaining farms were primarily beef cattle and grain growing enterprises with a small number of horticultural producers.



Kangaroo Island normally had reliable rainfall and a stable climate.

The case for Exceptional Circumstances was based around the impact of three exceptional climatic events that had impacted each year from 2004 to 2007. The three climatic events were:

- the early dry and hot finish to Spring in October 2004;
- the extremely dry Autumn of 2005; and
- the exceptional dry winter and spring period between July 2006 and December 2006.

Central and Eastern Mount Lofty Ranges

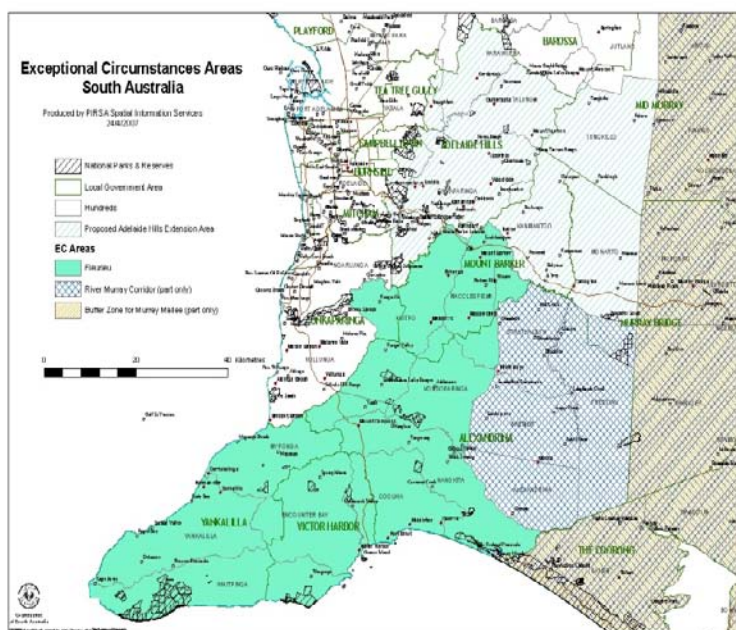
Action	Date	Duration	End Date
EC declaration	2007	2 years	2009

While the Mount Lofty Ranges was considered the least drought affected region in the State, there were a number of producers who had been significantly impacted – the dairy industry in particular.

This was an application to extend the currently declared Fleurieu Exceptional Circumstances region to include the District Council of Adelaide Hills, District Council of Mount Barker and the Hundred of Monarto (Mid Mallee District Council). At the time of writing the Fleurieu application this region was not as badly affected by the drought conditions as the Fleurieu region. In the ensuing six months the area was increasingly affected.

The region covered 130,000 hectares of which 16% is agricultural land. The population was 50,000 (National Agricultural Monitoring System (NAMS)).

This region was largely made up of small holdings of hobby/lifestyle farms that did not derive their primary income from primary production. There were however, a number of commercial dairy farms (32), Horticultural properties and beef cattle/sheep graziers and a significant proportion of these were significantly affected by the drought.



12. Appendix 2: DRT Project Summaries

DRT 2 – Short Term Initiatives

Delivery Agency: Department for Water Land, Biodiversity & Conservation

Duration of project: Commenced: October 2006 **Closure:**

Intent of Project:

To ensure that a number of separate work activities of importance to the SA DRT were managed so that what was being done, by whom and against what timescales was recorded, understood, tracked and reported through to completion.

This was an ‘omnibus’ project. It was a collection of tasks, which in themselves were not large enough to warrant the creation of a project structure but were nevertheless important. The project therefore had a broad scope in that it was a ‘catch all’ for the DRT’s smaller scale activities that did not logically fit under the scope any other project. It was planned that this project would expand and contract as new tasks were added and active tasks completed. The authority to add tasks to the project rested with the Chair of the DRT

This project was expected to have a growing number of outputs throughout the life of the SA DRT. Accordingly, amended versions of this project plan were issued from time to time.

Outputs of Project: The initial outputs from the project were:-

- a report providing analysis of the Economic Impacts of Drought;
- publication and delivery to SA Farmers Federation of 16,000 copies of the publication: *“Taking Care of Yourself and Your Family”*;
- Council of Federation – drought recovery; and

DRT 3 – Integrating Drought Communications

Delivery Agency: Primary Industries & Resources SA

Duration of project: Commenced: November 2006 **Closure:**

Intent of Project:

The main aim of this initiative was to coordinate and integrate Government agency communications in response to drought. This project also aimed to:

- provide strategic communication responses to the drought related to identified needs at key times, and
- develop and implement a cross agency framework that would provide for an integrated response to media questions and queries on complex drought issues that crossed over agency or portfolio boundaries.

PIRSA as the lead agency on drought was to coordinate and integrate the drought communications of DWLBC, Department of Health, Department for Families and Communities, SA Water, Department for Environment and Heritage and PIRSA in consultation with Department of the Premier and Cabinet.

Outputs of Project:

Tangible outputs for this project were:-

- organisation and conduct of monthly meetings of communications professionals from relevant agencies for the purposes of coordinating and integrating drought response communications;
- establishment and ongoing use and management of an agency email circulation list for drought related draft media releases and other drought communications material;
- providing integrated strategic communications responses to identified needs that arise at key times – both for proactive Government communications and for reactive responses such as for media questions or requests on drought;
- providing SA DRT with monthly reports on progress against the Project Milestones shown in this proposal and with weekly reports on the activities that occur as part of the whole of government integrated strategic communications responses on drought; and
- providing SA DRT with a Project Closure and Completion report including lessons learned during the project.

DRT 4 – Drought Intelligence Reports

Delivery Agency: Primary Industries and Resources SA

Duration of project: **Commenced:** November 2006 **Closure:** June 2007

Intent of Project:

To provide up-to-date information throughout the course of the drought, on a region-by-region basis, that would assist decision makers to determine whether the Government's approach to the drought was appropriate.

Intelligence gathering to provide information that can be used:

- to substantiate facts for public release or response;
- validate/verify comments/statements regarding impact of drought;
- develop programs and projects in response to the drought;
- provide information for strategy development – policies & procedures; and
- as input in preparing EC applications.

Outputs of Project:

Eighteen reports were prepared over an eight month period and a Drought Intelligence and Synthesis Learning's report was prepared

DRT 6 – Coordination of Drought Management Workshops

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: November 2006 **Closure:** April 2007

Intent of Project:

To manage the coordination and delivery of 100 workshops for rural businesses and families affected by the drought of 2006 from the initial management of the drought towards recovery.

The initial series of workshops were planned to cover:

- livestock and cropping management;
- land management considerations (reducing erosion risks, maintaining soil cover etc);
- support Services available to the farming community;
- Rural Financial Counselling services; and
- personal and family stress and hardship services.

Outputs of Project:

In excess of 300 people attended these workshops, and evaluation of attendees recorded that participants expressed how valuable the sessions were to them and how highly they valued the rapid response by PIRSA to the demands of the community.

DRT 7 and 43 – Drought Technical Support

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: November 2006 **Closure:** June 2010

Intent of Project:

To oversee the management of funded drought response measures, including communication through Drought Response Team, Premier's High Level Drought Taskforce and Regional Drought Task Forces through the Drought Coordinators and to maintain technical integrity of the DRT Program, enable a capacity to monitor regional situations and engagement between the Drought Team and communities, particularly in the River Corridor.

Outputs of Project:

A critical component of the program was to ensure that it deliver programs that were not responsive to regional needs, but that they were technically sound and feasible and all indications were that was the case, due to the technical skills in the team and engagement maintained with communities.

A series of socio-economic situation reports for the River Murray Corridor were prepared and presented to the HLTF and a annual 'Aerial Surveys' of the irrigated planting in the River Murray Corridor were undertaken, published and presented to the HLTF.

The project provided:

- Project management;
- Economic, social and environmental information informing decision making;
- Technical and business information for producers in targeted areas of the state;
- Support to producers exiting the industry to undertake skills development and/or recognition of prior learning; and
- Strategic information was provided and linkages maintained between drought affected communities and the High Level Drought Task Force and the Drought Committee of Cabinet.

DRT 8 – EC Applications Preparation

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: **Closure:** 30 June 2007

Intent of Project:

To assist South Australian regions in the preparation of Exceptional Circumstances (EC) applications that would be endorsed and supported by the Australian Government. Poor seasonal conditions had been experienced across extended areas of South Australia over the previous 5 years resulting in the need to seek additional support available under EC.

Outputs of the Project:

14 Applications, well beyond what was initially envisaged, for EC were prepared and the final applications were submitted on 4 June 2007.

The strength of the rural community networks and leadership enabled the process to work efficiently and effectively.

The approach of insisting that regional community leadership groups take responsibility for the EC case development was achieved and was an effective cornerstone of the project.

The extremely good relationships developed with DAFF and the use of the NAMS template expedited the application development process.

DRT 11 – Drought Response for Schools

Delivery Agency: Department for Education & Children's Services

Duration of project: Commenced: **Closure:**

Intent of Project:

To develop educational support strategies to assist educational communities affected by drought.

Primarily this initiative was aimed at government education sites in drought affected areas throughout South Australia. Information sharing extended to non-government sites in some circumstances. The matter of fee rebates involved non-agency bodies bearing the costs for the good of students from drought affected areas.

The aims of the project were to:

- Establish an intelligence feedback mechanism to interface with the SA Drought Response Team project dealing with intelligence gathering & synthesis (DRT4)
- Provide financial and practical in kind support for education to families of students
- Facilitate study activities away from stressful home environments
- Efficiently managed water conservation programs within education sites
- Counselling services available for school children within drought affected areas
- Communication of drought hotline & website information to communities via school newsletters

Outputs of Project:

The project was successful in achieving the objective of providing support to all schools in drought affected communities through mobilisation of the District and corporate office structures.

Drought Assistance School Card eligibility was successfully implemented and utilised by 986 Students as at 16 October, 2007. It is anticipated that this number would continue to rise as schools ask parents for payment of school fees prior to the end of 2007.

The Intelligence feedback network has proved to be very successful with key contacts having been identified in regional centres. These contacts have provided information gathered from within educational communities in drought affected areas to the Project Manager for collation and dissemination to DRT members. This network will continue to gather intelligence after the close of the project as it has been identified as a useful and important process.

Most outcomes have been achieved in the manner and to the extent that was envisaged. The only exception was the monitoring of student fee rebates in (TAFE) and NGO's where DECS was able to broker the rebates initially but obtaining information about actual rebates proved difficult.

DRT 12 – Managing the Pressures of Farming

Delivery Agency: Country Health SA

Duration of project: Commenced: November 2006 **Closure:** June 2007

Intent of Project:

Launched in October 2006, the project was designed to build the capacity of farming communities to take care of their mental health and to mitigate factors that contribute to poor mental health. Drought conditions and prolonged stress being experienced by many farmers in farming communities prompted the urgent need to focus attention on Promotion, Prevention and Early Intervention for Mental Health in those communities.

Originally produced by the Australian Centre for Agricultural Health and Safety (ACAHS) in NSW (associated with Sydney University), the resource was, with the collaboration of ACAHS, Country Health S.A., Beyond Blue, and the SA Farmers Federation, reproduced with South Australian specific information and emphases. The South Australian version of the resource also included a stronger emphasis on mental health than the original, and incorporated (in electronic format) the book, 'Taking Care of Yourself and Your Family'.

'Managing the Pressures of Farming' (in the form of a 60 page booklet, a CD ROM, and website), was a resource that addressed: Farm business issues, farm family issues, personal issues and practical information and self-help strategies for key determinants of mental health for people on the land.

Outputs of Project:

- 16,000 'Managing the Pressures of Farming' 'Packs' produced with 13,000 packs distributed;
- qualitative analysis suggests the resource has been very well accepted by rural farming families/enterprises across South Australia; and
- the project officers and stakeholders who worked on the project to reproduce the resource to South Australian specifications did so in a very timely, efficient and professional manner, resulting in the production of a quality product.

DRT 13 – Farm Debt Mediation

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: 2007

Closure: June 2010

Intent of Project:

This project provided financial support, via a State government funded grant, to engage an independent accredited mediator to assist primary producers in negotiations with financiers relating to ongoing financial support and improved farm viability. This assistance measure provided the farm sector with a level of satisfaction in the knowledge that this type of support was available where other strategies did not meet their needs.

Outputs of Project:

Whilst the uptake of the program was limited with 10 farm businesses accessing the mediation grant, it was understood from the outset that the grants were an alternative where other options did not achieve a mutually acceptable outcome, and that a measure of success of the project could be a low uptake of the grant. Feedback suggests that there has been a good level of cooperation between farmers and financiers to achieve a mutually acceptable outcome without the need for mediation.

DRT 14 – Community Support Grants

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: November 2006 **Closure:**

Intent of Project:

To fund activities that supported rural communities to maintain or improve the wellbeing spirit and resilience of their community. Individual grants of up to \$5,000 were available for not for profit organisations to stage activities specifically to assist communities in coping with the drought.

Outputs of Project:

143 grants were approved. Information received from communities indicated the program was well received and appreciated, hitting the mark in terms of bringing the community together to improve wellbeing and resilience, which in some cases had not happened to this scale in the past.

Successful was the collaborative nature of the stakeholder assessment panel, with representatives giving up their valuable time to attend monthly assessment meetings. The cross section of skills and knowledge was highly valued in making sound decisions in line with the program criteria.

Whilst applications were received from most regions, there were some areas that did not access support possibly due to a lack of local drivers. Perhaps this is an area worthy of consideration for future programs. In total, 123 events were funded and these included:

- community entertainment events;
- youth events;
- family fun afternoon;
- sports events;
- guest speakers;
- cabaret and concerts; and
- drought buster information tours.

DRT 15 – Drought Forums

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: November 2006 **Closure:** June 2011

Intent of Project:

Forums were held to seek information on drought related issues and gather responses from regional leaders from a range of sectors including business, financial, industry, social and natural resource management. The forums were aimed to disseminate information and establish clear links between the Government and relevant peak groups.

Forums were held in relation to business, finance, industry, natural resource management, and social sectors.

Outputs of Project:

- a strong level of involvement, support and interaction by the various sector leaders on government drought response initiatives;
- consultation through the forums assisted drought response measures to be effective and meet the needs of primary producers, small businesses and the rural communities;
- the provision of information on the impact of the drought on South Australia and the strategies put in place by the Government; and
- establishment of clear and coordinated links between the sectors in the provision of services to those affected by the drought.

DRT 16 – Additional Rural Financial Counsellors

Delivery Agency: Rural Financial Counselling Service SA

Duration of project: Commenced: 2007 **Closure:** June 2011

Intent of Project:

To provide additional funds to the Rural Financial Counselling Service (RFCSSA) to enable their network of qualified rural financial counsellors to meet the increased demand from rural communities for financial advice.

Outputs of Project:

Delivery of the project ensured:

- improved access to rural financial counselling support – either through a visit to a drought centre or by rural financial counselling visits on farm;
- reduced waiting times for clients to access assistance;
- increased communication to clients at information sessions, workshops and through advertising;
- co-ordinated rural financial counselling support across the state and deployment of counsellors to areas of high demand; and
- enabled rural financial counsellors to work in tandem with other agency staff to provide holistic support to clients.

DRT 17 – Critical Water Allocation Scheme

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: October 2008 **Closure:** June 2009

Intent of Project:

The South Australian Government, through the Critical Water Allocation Scheme (CWA) provided support to irrigators of permanent plantings who wanted to remain in the industry and who could demonstrate the long-term viability of their business. This occurred by underwriting critical water supplies needed to ensure the survival of permanent plantings through this time of drought and low water allocation.

Outputs of Project:

In excess of 1,500 irrigators inquired and commenced the process of application for critical water with a total of 1,564 applications completed for assessment.

88% of all applications (1,375) were deemed viable and thus eligible for a critical water allocation.

In the order of 61 GL was required to be underwritten to ensure the survival of citrus, vines, stone fruit, pome fruit and other permanent plantings.

DRT 20 – Strategic Planning and Communication Workshops

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: July 2011 **Closure:** June 2011

Intent of Project:

Strategic planning for business continuance and succession is identified as a major issue for many farming families, particularly those financially challenged due to the adverse events of drought.

The Rural Financial Counselling Service of SA, in collaboration with PIRSA, coordinated the delivery of specialist strategic planning workshops for drought affected businesses and families with a focus on business continuance and succession, from the initial management of the drought towards recovery.

To make available to farm families, direction and assistance in strategic decision making for business continuance and succession, and enable a return to sustainable farm businesses in recovery drought.

Outputs of Project:

20 workshops across the state were delivered by 5 different providers that facilitated succession planning process from a range of financial/production/family perspectives to 180 farm businesses

DRT 21 – Irrigated Industry Support Program

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: 1 July 2009 **Closure:** 30 June 2010

Intent of Project:

To protect South Australia's multi-million dollar horticultural industry in the River Murray Corridor by ensuring the survival of its long-term viable plantings.

There were two distinct stages to the program, a 3 month application stage from August to October 2009, followed by a grant finalisation and payment stage after the final water allocation announcement. This stage occurred 1 March to 30 April 2010.

Outputs of Project:

A client database was developed and able to be linked to an online application tool which was extremely useful for case managers and reporting on the program. A total of 612 applications were deemed eligible for assistance and a deed of contract developed for each.

The final number of grants eligible was influenced by the final water allocation announcement. Each increase in water allocation throughout the irrigation season reduced the number of approved grants that would ultimately be eligible for payment. The final water allocation of 55% at end of season was above the critical survival needs of most crops. Of the 612 applicants eligible at the opening allocation, only 11 irrigators were eligible at final allocation, and only 4 chose to claim.

DRT 22 – Generic Counselling for People in Drought Affected Communities

Delivery Agency: Country Health SA

Duration of project: Commenced: January 2007 **Closure:** March 2008

Intent of Project:

For the recruitment of suitably qualified generic counsellors to provide generic counselling and outreach support to people in farming communities in rural and outback South Australia.

The Counsellors were positioned to support those rural clients utilising the Drought Hotline (based at the Rural and Remote Mental Health Service) and in rural areas whose farming communities were most affected by the drought. The counsellors also provided mental health literacy education to communities utilising resources developed by the Managing the Pressures of Farming Task Group.

Outputs of Project:

The program provided counselling, capacity building, outreach support and referral services to people in drought affected farming and pastoral communities

The value of the programs was highlighted in a recent evaluation: *"Preventive interventions targeted at addressing psychological and physical wellbeing in the farming community should continue to build effective service pathways to address both mental health needs as well social/family issues and financial stress"*.

As regions emerge from the physical effects of drought, there is evidence that emotional and mental health issues still remain, with the demand for early intervention support services increasing. The cessation of these support services is of concern to regional communities.

DRT 23 – Drought Hotline & Website

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: September 2006 **Closure:** June 2010

Intent of Project:

The Government required a co-ordinated, integrated, timely and accessible interface with the community to communicate its drought response measures. The Drought Hotline was commissioned to provide a single point government contact for the community through a free call call-centre and support referral service. The hotline was managed by Centrelink.

The Drought Conditions and Exceptional Circumstances (EC) sections of the PIRSA website were developed to provide technical information and support for individuals, businesses and communities affected by the drought, and the available assistance for eligible farmers in EC declared regions.

Outputs of Project:

- well informed call centre with the capacity to respond to the customer and provide accurate and timely service;
- significant number of callers satisfied by the service provided by the call centre;
- callers were satisfactorily serviced through the referral process; and
- easily navigated website with information updated regularly.

After a peak of hits on the Website and contacts to the Hotline during late 2006 and through 2007, the demand fell away in 2008.

The service was critical in the early stage: in conjunction with the communications program, this initiated was a highly effective component to provide ready community access to information.

DRT 24 – Planning for Recovery

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: September 2006 **Closure:** 30 June 2011

Intent of Project:

To support farm businesses, accessing an Exceptional Circumstances Interest Rate Subsidy, to develop and implement high quality business plans, which would in turn deliver significantly improved economic, production, family and natural resource management outcomes in the short and long-term. Farm business were then able to access an implementation grant to help them to reduce the decline in the condition of their core farm assets and provide a stronger platform from which recovery can be accelerated

Outputs of Project:

- 182 Information Sessions
- 1,629 Business Plan grants approved
- 381 Business Plan Reviews grants approved
- 27 Grants for Dust affected pastoralists
- 35 grants for Irrigators below Lock 1
- 50 Specialist Workshops

DRT 25 – Concessions & Ant-Poverty Services

Delivery Agency: Department of Families and Communities

Duration of project: Commenced: **Closure:**

Intent of Project:

To provide energy concessions, water and council rate remissions, Emergency Services Levy remissions and remissions on pastoral and perpetual lease costs for farm families verified as receiving Exceptional Circumstances Relief Payment (ECRP) or Farm Help payments from Centrelink.

To provide financial assistance in relation to school fees to drought affected farmers and associated businesses.

Outputs of Project:

The program provided support to 228 people assisting in payments for:

- Energy remissions
- Water and Sewerage rates
- Council rates
- Emergency Service Levy

DRT 26 – Drought Business Management for Irrigators

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: January 2007 **Closure:** June 2008

Intent of Project:

To provide irrigators with basic skills and information to assist them to better manage the physical and financial resources of their business while River Murray water allocations are restricted.

To develop and deliver a package of information products and run a series of skilling events tailored to the needs of specific irrigation industries to equip irrigators with critical information they needed to make sound management and business decisions in the 2007-08 irrigation season.

Outputs of Project:

The information provided addresses issues relating to mental health, irrigation management, business management and financial support and was provided through: Workshops, Information packages and tailored consultancies

The information delivered to irrigators was sourced or developed by leading professionals. *Key highlights and innovations developed and delivered by the project were:*

- Drought information toolkit- “*Irrigators Toolkit*”; with a CD produced and distributed (2,000 copies) and Information loaded onto PIRSA web site
- Industry and community event support;
- 1-on-1 advice/information and support to the Riverland Horticulture Reference Forum

DRT 27 – Managing ‘Top Up’ Water Licence Applications

Delivery Agency: Department of Water, Land and Biodiversity Conservation

Duration of project: Commenced: June 2007

Closure:

Intent of Project:

To process increased numbers of water licence applications for transfer of water in a timely fashion.

The project dealt with the processing of increased numbers of water licence transfers as a direct result of the drought and the Government decision to not charge licence holders for transfers that merely ‘topped up’ their existing allocations.

Outputs of Project:

The water market and the capacity for irrigators to trade water allocations; both permanent and temporary was recognised as crucial to the survival of irrigation businesses and indeed whole communities.

This measure that made it cheaper and easier for cash strapped irrigators needing to supplement water supplies because of severely restricted general allocations, to purchase temporary allocation to get through the drought was a crucial and strategic initiative with big impact.

DRT 28 – Rural Community Counsellors

Delivery Agency: Country Health SA

Duration of project: Commenced: July 2008

Closure: June 2011

Intent of Project:

To provide generic counselling and outreach support to people in drought affected farming communities in rural and outback SA and including those affected by low River Murray flows, as well as Recovery Management Support for rural communities emerging from the Drought. (Note, these positions are in addition to the eight previously funded RCC positions and one manager—which is an amalgamation of DRT 22 & 28).*

Rural Community Counsellors were strategically placed to support those farmers/ farming and growing communities most affected by the current drought.

Outputs of Project:

The project was very successful in delivering individual counselling and support, working with clients’ families, community capacity building through community events and leadership, and extensive networking with other agencies, (Government and non government), community groups, and within the medical and health sectors. From July 2008 to end of June 2010, a total of 4,231 client contacts were logged, 1,823 networking contacts and meetings attended to, 1,449 community events participated in, organised or otherwise were part of, 989 administrative meetings attended including supervision and group meetings within Country Health, 192 unclassified events.

The program was nominated for the Margaret Tobin Mental Health Awards for 2010.

DRT 29 – Farmers Peer Support**Delivery Agency:** Country Health SA**Duration of project: Commenced:** October 2007 **Closure:****Intent of Project:**

To establish peer networks to support men and women in rural communities. The initiative engaged, trained and supported key individual men and women who were willing to assume supportive and mentoring roles, and establish sustainable support networks in drought affected areas.

Outputs of Project:

The program was not delivered in major regional centres but rather, small towns and locations where local members of the community could come from near and far.

The program ran with 2 sessions each night for each of 3 nights Between July 2008 and March 2010, 733 men attended 49 programs.

Feedback was very positive and for many, it had been life changing. In 2008, the Program was a finalist in the Margaret Tobin Awards for Excellence in Mental Health. In 2009, it won the Award for “Excellence in promoting an understanding of mental health in the community”. In 2010, the program was independently evaluated.

DRT 30 – Mental Health Education through Schools**Delivery Agency:** Country Health SA**Duration of project: Commenced:** June 2007**Closure:** June 2008**Intent of Project:**

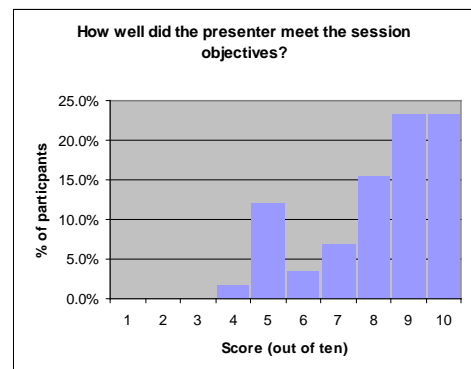
To assist primary and secondary school teachers to improve mental health awareness, and support responsiveness of schools, school communities and parents for the benefit of rural children.

Through the application of a Mental Health Educator, over 12 months, primary and secondary school teachers were given training to improve the preventative mental health capacity of their schools. It was expected that approximately 60 schools will receive training.

Outputs of Project:

The project was successful in terms of delivering information that influenced teacher practice in relation to children experiencing a mental illness or mental health problem.

The objective was to improve mental health awareness and supportive response of schools, teachers, and school communities. The project interim evaluation found that over 98% of post evaluation respondents found the objectives were met ‘well’ to ‘very well’ as showed in the graph.



DRT 31 – Additional Psychiatric Services

Delivery Agency: Country Health SA

Duration of project: Commenced: June 2007

Closure: August 2009

Intent of Project:

To provide for increased access to psychiatric services and proactive and preventative clinical interventions to those in drought affected communities.

The ongoing drought conditions and prolonged stress being experienced by many rural communities/farmers prompted the urgent need to focus attention on the increased provision of psychiatric services.

Outputs of Project:

The project enabled the expansion of the psychiatric resource available to country communities through the utilisation of a range of methods including telepsychiatry, face to face contact and support to practitioners in the field, and including Rural Community Counsellors.

Service provision included:

- Dedicated telemedicine response (inc emergency consultations);
- Shared –care in partnership with GPs Drought Response Team, Country Mental Health Team's, NGO's and community based service providers;
- Consultation and liaison services to primary care providers;
- Training, supervision and support to primary care providers and country mental health staff;
- Education and community development;
- Additional training and support to the roll-out of suicide prevention initiatives
- Increased access and utilisation of psychiatrists by Country clients.

DRT 32 – Drought Apprenticeship Retention Scheme

Delivery Agency: Department of Further Education, Employment, Science and Technology

Duration of project: Commenced: September 2007 **Closure:** August 2011

Intent of Project:

To provide support to rural towns and communities during the drought by helping businesses retain apprentices.

A retainment allowance \$1,500 (2 instalments of \$750) was made to the employer for each apprentice/trainee retained.

DARP had been defined as a priority given the financial hardships that employers in rural areas continued to experience as a result of the 2006/07 drought and its ongoing effects. The program assisted employers to continue to retain their apprentices/trainees.

Outputs of Project:

- Provided overall management and supervision of the program;
- A targeted marketing campaign;
- Updated program documentation (guidelines and application forms);
- Updated websites, including appropriate links to related PIRSA websites;
- Updated database, drawing on DFEST's VENUS system, to establish eligibility, track payments and monitor retention of apprentices/trainees;
- Applications processed and payments made to successful applicants; and
- assistance to employers to enable 430 apprentices/trainees to remain in employment.

DRT 33 – Farm Family Educational Expenses

Delivery Agency: Department of Education and Children's Services (DECS)

Duration of project: Commenced: March 2007 **Closure:** March 2008

Intent of Project:

To provide support to families faced with additional educational expenses and to promote student participation in extra-curricular activities and events.

Grants of \$150 were provided to all Drought School Card recipients attending government schools in the drought affected areas to assist with additional educational expenses such as camps, excursions, sporting excursions, and entry to competitions.

This initiative was designed to lessen the disadvantage of families affected by drought by promoting student access to extra-curricular activities, thereby increasing learning opportunities and wellbeing of drought-affected students.

Outputs of Project:

1. The provision of financial assistance to families affected by the drought, whose children attend government schools; and
2. Ensured that students from families affected by drought were provided with a range of opportunities to further their educational studies through participation in extended school activities and events.

DRT 34 – Moratorium on School Bus Routes

Delivery Agency: Department of Education and Children's Services (DECS)

Duration of project: Commenced: 2007 **Closure:** 2010

Intent of Project:

To extend a moratorium on the removal of school bus services in drought affected areas. The moratorium relieved parents from the burden of finding alternative transport arrangements during the period in which families were coping with the drought.

The initiative ensured in part that families were not further disadvantaged during the drought period. Under normal circumstances, when the numbers of students on a school bus service declines to less than 10 eligible students, the bus is withdrawn from service and families are provided with car travel allowance.

Outputs of Project:

School bus services in drought affected areas that were scheduled for removal were maintained during school years.

These included 22 bus routes that would have been withdrawn and 11 routes serviced by large buses that were replaced with small buses, due to a decline in passenger numbers.

The small buses that were used to replace the large buses, serviced the 22 routes captured under the moratorium.

DRT 35A – Enhancing the Resilience of Permanent Horticulture in SA

Delivery Agency: SA Research and Development Institute (SARDI)

Duration of project: **Commenced:** July 2007 **Closure:** June 2008

Intent of Project:

To monitor, capture and evaluate outlier crop performance data associated with the extended drought and its recovery. The data to be valuable in developing improved climate risk and drought management regimes for future events predicted to become more common with the 'climate shift'.

Objectives of the project were to:

- Collect and evaluate critical data on the recovery of permanent horticulture following this drought (extreme >100 year event);
- Prepare a package of irrigation management and crop husbandry strategies with the aim of minimising damage to permanent horticulture under circumstances of extreme water restrictions;
- Re-focus the 'mothballing' viticulture trials in the Barossa and Loxton to drought tolerance testing of the major grape varieties;
- Collaborate with NSW-DPI on data processing and evaluation of the drought tolerance trials of citrus at the Dareton Station; and
- Develop a framework to better characterise the risks for permanent horticulture and identify strategies to manage the risk.

Outputs of Project:

The main output of the project was the development of a platform for better perennial crop management during and following future drought events to minimise economic impacts.

DRT 35B – Drought Tolerance Traits for Wheat & Lucerne

Delivery Agency: SA Research and Development Institute (SARDI)

Duration of project: **Commenced:** June 2007 **Closure:** July 2008

Intent of Project:

To research into reducing the impact of drought on River Murray horticulture and grain crops and develop strategies that minimised the impact of drought on permanent horticulture and develop ways to improve the performance of low rainfall pastures and cropping systems.

To bring together plant pathologists, plant breeders and innovative technology to measure root growth, soil borne pathogens and other parameters to determine characteristics of drought tolerant crops and pastures. To utilise DNA technologies to quantify build-up of soil-borne pathogens in field trials of drought tolerant lines under development by the Australian Centre for Plant Functional Genomics (ACPGF), Australian Grain Technologies (AGT) and SARDI's Lucerne breeding program.

Outputs of Project:

Along with formal publications for scientific scrutiny, the project team prepared fact sheets and other farmer-friendly publications on:

1. Rapid screening methodologies for drought tolerance in wheat;
2. Identification of Lucerne traits conferring drought tolerance; and
3. Quantification of variation in Lucerne for critical traits as a basis for breeding and selection of drought tolerant cultivars.

DRT 37 – Young Farmers Peer Support Network

Delivery Agency: Country Health SA and Primary Industries and Resources SA

Duration of Project: Commenced January 2008, Closure December 2009

Intent of Project:

To help young farmers provide leadership in their communities and industries and in turn help address leadership succession concerns facing many rural communities. The project was to provide travel and support costs for up to 40 farmers to participate in special “Drought Editions” of the SA Rural Leadership Program. A component of the package was to train some of these leaders as mentors – to help and support other farmers and enable them to network on mental health issues and self help strategies and be better able to support their peers and the wider community.

A third part of the project was an independent analysis of the young farmers through a research project called, “Kicking the Dust” undertaken in the Eyre Peninsula and Mallee. The objective was to explore issues experienced by young farmers and how Health can respond to their needs in light of the current drought.

Outputs of Project:

A coordinator was appointed by Country Health SA to assist in the administration of this project and was involved from January to June 2008 for four hours per week.

A one day project development workshop was held in February 2008. Twelve young rural people from across South Australia attended to help shape the Youth Leadership Program and outline the needs and concerns of youth in rural areas.

Two, six day Drought Youth Leadership Programs were run in 2008. Twenty eight young farmers attended who subsequently joined the SA Rural Leadership Program Graduates Network and has stayed linked in since. They have continued to receive information about leadership opportunities and have been offered further leadership development.

The “Kicking the Dust” research document was published in 2008 and copies were distributed to SA Farmers Federation, farmer groups, non government agencies and government.

Funding through this program was made available to young rural people to further develop their skills by coordinating the “Value Chain Workshop” in 2009. This workshop was a one day event held in Adelaide that offered the opportunity to hear from successful businesses across South Australia and the “SA Thinker in Residence” Andrew Fearn.

Funding was also made available for the “Ignite “ Program which was jointly sponsored by Drought Funding and GRDC to provide a training forum for 35 young farmers from across South Australia to gain information, build networks and receive mentoring from people involved in business in across rural South Australia.

DRT 38 – Labour Market Transition

Delivery Agency: Department of Further Education, Employment, Science and Technology

Duration of project: Commenced: 1 January 2008 **Closure:** 30 June 2009

Intent of Project:

The project aimed to re-skill producers and workers from drought affected farms in Exceptional Circumstances Areas of South Australia and Production Horticulture enterprises in the River Murray Corridor. By providing Heavy Vehicle and Machinery Operator Certification, we will be able to increase employment opportunities for these people in mining, forestry or general transport industries.

Outputs of Project:

- 993 registrations of interest
- 742 persons received training

DRT 39 – Drought Coordinators

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: **Closure:** 30 June 2011

Intent of Project:

The Drought Coordinator's role involved:

- Supporting their respective Regional Drought Task Forces by providing a conduit between the regions and Government for drought related matters;
- Providing high level executive support to the Regional Drought Taskforces;
- Facilitating collaborative partnerships in the development and delivery of programs;
- Promoting and distributing information about support services that are available to drought affected producers, small businesses and communities;
- Provision of accurate, timely and strategically important regional information to the State Government and the Premier's Special Adviser on Drought, for consideration in the ongoing development and management of drought response strategies; and
- Identifying opportunities and strategies to streamline the delivery of programs.

Outputs of Project:

Four regionally based Drought Coordinators were appointed in 2008/09. Their appointment was to assist the communities in Eyre Peninsula, River Murray Corridor, Northern and Yorke, Far North and the Murray Mallee and Upper SE Regions.

DRT 40 – Accelerating ECIRS processing

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: November 2007 **Closure:** July 2008

Intent of Project:

To accelerate the processing of Exceptional Circumstances Interest Rate Subsidy (ECIRS) applications by engaging additional staff to reduce application levels to a manageable level, and secure additional premises to promote efficiency of processing and accommodate the extra staff.

A backlog existed in processing ECIRS applications which was impacting on turnaround times for approval. Achieving faster processing times put money into the pockets of eligible producers and small business faster at a time where cash flow was a significant issue (particularly in relation to water purchase by irrigators, washing out contracts associated with the forward selling of grain by croppers and securing feed supply for livestock producers).

Outputs of Project:

Processing times for an application was reduced to within a 4 week turnaround time.

DRT 41 – Regional Communities Drought Fund

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: 2008 **Closure:** 2009

Intent of Project:

To establish a \$400,000 Regional Communities Drought Fund.

The fund was available to Councils within the declared EC areas of South Australia, and the Outback Areas Community Development Trust, for projects that supported their communities.

Through the fund, regional communities were financially assisted to undertake projects designed to:

- Protect or improve economic and social infrastructure;
- Protect or improve environmental assets; and
- Develop or enhance community capacity through education and training.

Outputs of Project:

8 projects were endorsed with funding totalling \$399,800. The projects were:

1. Extension of the Clayton Bay boat ramp and dredging to improve boat launching;
2. Stage 1 of the Lake Bonney Foreshore Plaza development;
3. Drought proofing and water reduction on medium strips/parklands in Cleve and Arno Bay;
4. Replacement of existing lawn bowls with synthetic turf at Meningie;
5. Assisting local farmers and residents on the Coorong to source and access secure, reliable and appropriate quality water supplies for stock and domestic use, and undertake community education/information sessions to improve communication of key drought related issues to those most affected, and to plan for future land use based on less reliable and secure water supplies;
6. Upgrade to the Lock Hall public toilets and installation of rainwater tanks for the toilets;
7. Redevelopment of Pinnaroo Football Club including child care area and facilities upgrade;
8. Reticulation of treated reclaimed wastewater in Tumby Bay to irrigate community facilities.

DRT 42 – Computers & Training for Drought Affected Primary Producers**Delivery Agency:** FarmBis SA**Duration of project: Commenced:** 2008**Closure:** 2008**Intent of Project:**

To give primary producers an ex-government computer (through the Smart State Initiative, Computer Recycling Scheme administered by Department of Administrative and Information Services (DAIS)) in combination with a package of four hours of training through TAFE SA at regional centres. The training was to encourage primary producers to up-skill and utilise computers as part of their business tool kit. Training was to introduce record keeping, budgets, business management and how to manage businesses more effectively.

The training programme was designed to assist participants increase their confidence in using computers for improved business practices, specifically MS Word, MS Excel, the Internet and email.

The training provided farmers with the tools required to improve their business practices and consider ways in which they became more efficient through keeping track of their budgets using spreadsheets as a strategy to analyse financial risk management, access the latest advice and information via the internet, develop business templates and use email as a means to increase response time and access to information. The training delivered provided a pathway to further study.

Outputs of Project:

The Computer Recycling Scheme provided support of up to 160 computers and TAFE SA provided personal training to 224 primary producers in receipt of Exceptional Circumstances Interest Rate Subsidy (ECIRS).

Fourteen hundred farmers in receipt of ECIRS were contacted by direct mail and invited to participate.

DRT 43B – State Drought Relief Centres**Delivery Agency:** Primary Industries and Resources SA**Duration of project: Commenced:** 2008**Closure:** 2010**Intent of Project:**

To provide a number of drought response centres or hubs where producers could access services with a focus on supporting decision-making in their businesses.

The project specifically recognised that the state had established the elements of an ongoing capacity to provide a drought response through a one-stop-shop centre, regional coordinators and Regional Taskforces.

There were significant positive outcomes for producers to be able to access a range of services at the one centre.

Whilst there were local variations, by locating Rural Financial Counselling Services, Rural Community Counsellors, Centrelink, Rural Support Officers and Regional Drought Coordinators together in one location enabled cross agency approach and multi discipline response where required.

Outputs of Project:

Centres were located at Berri, Murray Bridge, Clare and Ceduna, and enabled the delivery of state wide services to drought affected communities.

DRT 43C – Family and Business Mentors

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: **Closure:**

Intent of Project:

The Family and Business (FaB) Mentor program was introduced in recognition of intelligence from the regions that there was an increasing number of farmers, who due to the stresses of the impacts of drought, were becoming increasingly indecisive about measures they needed to adopt to secure their future.

The FaB Scouts were given the responsibility to:

- identify, those individuals or families who are not managing well in their present situation;
- have people referred to them by others in the community, who may benefit from having someone approach them and talk about issues; and
- refer and/or support individuals to get professional help and advice.

Outputs of Project:

FaB Mentors and Scouts assisted over 150 farm families that were in various states of ‘not knowing where to turn’. The majority of those contacts resulted in referrals to professional providers of support; some immediate but many after several contacts.

DRT 44 – School Card

Delivery Agency: Department of Education and Children’s Services

Duration of project: Commenced: 2006/07 **Closure:** 2009/10

Intent of Project:

To provide financial assistance in relation to school fees to drought affected farmers and associated businesses. School Card support was provided to families whose income had been significantly and directly adversely affected by the drought

The initiative was aimed at all families that resided in Exceptional Circumstances declared areas who had experienced a significant change in financial circumstances due to the drought. The intention was to assist families with the cost of school fees at Government schools.

Outputs of Project:

Over \$300,000 per year was provided to support the Drought School Card project and was fully expended.

DRT 10 – Case Studies of Industry Exits

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced: April 2011

Closure: June 2011

Intent of Project:

To document case studies of 12 farm families who had exited from the industry during the past 5 years. Reasons for exit may include succession of management responsibilities to next generation, retirement, and forced sale of farm business.

To inform the approach and targets for future policy and support programs.

Outputs of Project:

Case studies for 12 farm families were produced and comprised:

- 5 Riverland horticultural producers
- 7 broad acre farming

The Case Studies are to be published and provided as a resource to service providers and to inform future policy and program development.

DRT 19 – Characteristics of Persistently Profitable businesses

Delivery Agency: Primary Industries and Resources SA

Duration of project: Commenced:

Closure: 30 June 2011

Intent of Project:

To inform policy and program development under a reformed national approach through a better understanding of the key characteristics of farm businesses that maintain their financial positions over the long term and particularly during adverse periods

Outputs of Project:

Holistic benchmark assessments of 40 persistently profitable farm business.

At time of writing that project is being conducted with a report to be published in September 2011.