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Farmers' Take on Australia's National Drought Policy

Address by Charles Burke, NFF Vice President

**Book Launch 'From Disaster Response to Risk Management –
Australia's National Drought Policy'**

Australian National University, Canberra

26 April 2005

- Thank you for the opportunity to say a few words this afternoon in launching the new book "*From Disaster Response to Risk Management – Australia's National Drought Policy*".
- We have had a long and professional association with Linda and have benefited for her knowledge and experience in addressing this difficult and sensitive issue.
- The book represents a timely and important contribution to the continuing policy debate on Australia's National Drought Policy.
- The launch today comes at a time where the issue of drought is re-emerging in headlines, particularly as the planting window for many grain producers in south-eastern Australia rapidly closes without a genuine autumn break, and as many livestock producers face the prospects of another winter of hand-feeding stock.

National Farmers' Federation Limited
ABN 77 097 140 166

NFF House, 14 - 16 Brisbane Avenue, Barton ACT 2600 ■ PO Box E10, Kingston ACT 2604
Tel +61 2 6273 3855 ■ Fax +61 2 6273 2331 ■ Email nff@nff.org.au ■ Web www.nff.org.au

- Although “*From Disaster Response to Risk Management*” profiles Australia’s National Drought Policy as a world-leading example of a risk-based policy, the diverse chapters of the book serve to highlight the many cultural, popular, political, economic and environmental challenges that have impacted on the effective implementation of the policy over the last 13 years.
- Ironically, today’s launch comes only 12 days after the most recent meeting of Australia’s Primary Industries Ministerial Council, where Ministers came together to consider a Drought Reform Plan capable of overcoming many of these challenges.
- Despite public commitments from Ministers to a target of April 2005 to resolve the future of drought assistance policy, sadly, yet not surprisingly, the politics of drought again won the day.
- Yet again, Ministers were in full agreement over the failings of the EC declaration system, the need for enhanced drought preparedness initiatives and the importance of restoring equity to the EC business support scheme, however, once again, failed to heed the calls of industry, policy experts and their own Review Panel, and commit to meaningful and necessary drought reforms.
- Despite the best efforts of NFF, the commitments of Ministers to further unending bureaucratic process and more debate over cost-sharing models will help ensure that drought remains on top of the policy agenda for months, dare I say years, to come.
- Farmers await the day PIMC can rise above political bickering and implement the fundamental reforms necessary to allow Australia’s National Drought Policy to achieve its full potential.
- The book I am launching today, *From Disaster Response to Risk Management* adds further weight to the case for genuine and meaningful reforms in the way we deal with drought in this country.

Drought – Natural Disaster or Business Risk

- Before officially launching the book today, I would like touch briefly on the key question of whether drought should be treated as a natural disaster or a business risk, from both an NFF perspective, and the perspective of an individual farmer.
- As the book attests these perspectives are not always one and the same.
- National Farmers' Federation (NFF) has endorsed the shift towards a National Drought Policy based on self-reliance, mutual obligation and improved drought preparedness.
- In line with the main premise of the text, NFF recognises that Australia is a dry and variable continent and it is important that all Australians, including primary producers, learn to better deal with the challenges posed by our inherently variable environment.
- The importance of preparing for, and managing climatic risks such as drought is also recognised by the majority of Australian farm managers, and is one of the key reasons these individuals remain in farming.
- The need to treat drought as a recurring and manageable business risk, and to shift to a risk-based policy has been widely accepted by policy makers and farmers' alike, however it has become apparent that many policy makers and observers have grossly underestimated the scale of the shift that is required, and what this transition means in practical terms to the average Australian farm business.
- NFF has grown frustrated over the sweeping motherhood statements that continue to emerge from governments on the "*need for farmers to better prepare for drought*" and over the misinformed commentary from the media and the academia rebuking farmers for "*failing to learn the lessons of previous droughts*".
- These contributions rarely add value to the policy debate, and often lead to the misconception that Australia's National Drought Policy is not heading in the right direction.

- The recent drought event that has affected over 70% of Australia's farming land represents a major setback in Australia's shift towards self-reliance, however the event has highlighted that the adoption of improved business risk management on Australian farms over the decade since the inception of the 1992 National Drought Policy has reduced farmers calls for EC assistance during this unprecedented period.
- From an NFF perspective, the policy is working, farmers have embraced drought preparedness, and the shift to self-reliance is taking place, but it is naïve to suggest that this transition will happen over night.
- For some farmers drought preparedness is recognised as an essential business strategy, however the conditions that have prevailed over the last decade have hampered the ability of these individuals to put in place the drought preparations required.
- In accordance with the principle of EC assistance, many of these producers have been assisted in preserving their agricultural and natural resource base during over the drought, and when breaking rains do eventuate, these farmers will face the challenge of reinstating and further enhancing measures to improve their resilience to future droughts.
- From what I have observed as a primary producer and in my time at NFF, the implementation of effective drought preparedness strategies and the adoption of a business risk management ethos at the farm level is more likely to take place over a generation, rather than a decade.
- This point cannot be lost when we assess the effectiveness of Australia's national drought policy, or, despite all the challenge, the strong progress we have made since its inception in 1992.

Conclusion

- In conclusion, the book I am delighted to launch today will make an important contribution in better defining what is meant by drought risk management, and in identifying the range of challenges,

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governments, agribusinesses and farmers must overcome in order to establish Australia's National Drought Policy as a world's best example of risk-based policy.

- I congratulate Linda, and Donald Wilhite, and all of the contributors to "*From Disaster Response to Risk Management – Australia's National Drought Policy*", and it is with pleasure that I commend the book to you, and to all readers within an interest in the direction of drought and climate risk management policy around the world.
- Thank you, I understand that Linda Botterill would like to make some brief comments.

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