**Pilot of Drought Reform Measures Working Group**

Pilot of Drought Reform Measures

in Western Australia

**Final Report**

**April 2013**

# Contents

Figures and Tables 5

Acknowledgements 6

List of Abbreviations and Acronyms 7

1 Introduction 8

1.1 Purpose of this report 8

1.2 The pilot of drought reform measures 8

1.3 The pilot region 9

1.4 Funding for the pilot 11

1.5 Governance 13

1.5.1 Monitoring, reporting and review 13

1.5.1.1 Administrative reporting and review 13

1.5.1.2 Policy review 14

2 Communication activities 15

2.1 Snapshot against key performance indicators 15

2.2 Expenditure 16

2.3 Key issues and findings 16

2.3.1 Website 16

2.3.2 Drought Assistance Hotline 17

2.3.3 Email 17

2.3.4 Printed material 17

2.3.5 Information sessions 18

2.3.6 Mail-outs 18

2.3.7 Advertising 19

2.3.8 Media 19

2.4 Conclusion 19

3 Farm planning 21

3.1 Snapshot against key performance indicators 22

3.2 Expenditure 22

3.3 Key issues and findings 23

3.3.1 Course delivery 23

3.3.2 Course motivation 25

3.4 Conclusion 26

4 Building Farm Businesses 27

4.1 Snapshot against key performance indicators 28

4.2 Expenditure 28

4.3 Key issues and findings 28

4.3.1 Program uptake 28

4.3.2 Co-contributions 29

4.4 Conclusion 30

5 Farm Family Support 31

5.1 Eligibility criteria 31

5.1.1 Asset limits 31

5.1.2 Liquid assets 31

5.1.3 Income test 32

5.2 Snapshot against key performance indicators 32

5.3 Expenditure 33

5.4 Key issues and findings 34

5.4.1 Applications 34

5.4.2 Action plans 35

5.4.3 Assets 37

5.5 Conclusion 37

6 Farm Social Support — Rural Support Initiative 39

6.1 Snapshot against key performance indicators 39

6.2 Expenditure 39

6.3 Key issues and findings 40

6.3.1 Rural Support Coordinator 40

6.3.2 Rural Service Officers and Rural Social Workers 40

6.3.3 Australian Government Mobile Office 42

6.4 Conclusion 43

7 Farm Social Support — Online Counselling for Rural Young Australians 45

7.1 Snapshot against key performance indicators 45

7.2 Expenditure 45

7.3 Key issues and findings 46

7.4 Conclusion 47

8 Farm Social Support—Rural and Regional Family Support Service 48

8.1 Snapshot against key performance indicators 48

8.2 Expenditure 48

8.3 Key issues and findings 49

8.4 Conclusion 50

9 Farm Exit Support 51

9.1 Snapshot against key performance indicators 52

9.2 Expenditure 52

9.3 Key issues and findings 52

9.4 Conclusion 53

10 Beyond Farming 54

10.1 Snapshot against key performance indicators 54

10.2 Expenditure 54

10.3 Key issues and findings 54

10.4 Conclusion 57

11 Conclusion 59

# Figures and Tables

[Figure 1.1: The original pilot region (2010–2011) 9](#_Toc354128038)

[Figure 1.2: The expanded pilot region (2011–2012) 10](#_Toc354128039)

[Figure 1.3: Farm businesses per Local Government Area in the expanded pilot region 11](#_Toc354128040)

[Figure 2.1: Visitors to the website per month 5 May 2010–30 June 2012 17](#_Toc354128041)

[Figure 5.1: Net assets of Farm Family Support recipients 37](#_Toc354128042)

[Table 2.1: Communications expenditure to 30 June 2012 16](#_Toc354128060)

[Table 3.1: Farm Planning expenditure to 30 June 2012 23](#_Toc354128061)

[Table 3.2: Farm planning uptake 25](#_Toc354128062)

[Table 4.1: Building Farm Businesses expenditure to 30 June 2012 28](#_Toc354128063)

[Table 4.2: Building Farm Businesses statistics (applications to 31 July 2012) 29](#_Toc354128064)

[Table 5.1: Farm Family Support expenditure to 30 June 2012 33](#_Toc354128065)

[Table 5.2: Activities undertaken to improve farm performance as at 30 June 2012 36](#_Toc354128066)

[Table 5.3: Preferred methods to improve financial position as identified by Farm Family Support recipients 36](#_Toc354128067)

[Table 6.1: Rural Support Initiative expenditure to 30 June 2012 39](#_Toc354128068)

[Table 6.2: Rural Support Initiative customer contacts 41](#_Toc354128069)

[Table 6.3: Rural Support Initiative referrals 42](#_Toc354128070)

[Table 7.1: Online counselling expenditure to 30 June 2012 45](#_Toc354128071)

[Table 7.2: Quarterly report of number of service users in the pilot region and nationally 46](#_Toc354128072)

[Table 8.1: Rural and Regional Family Support Service expenditure to 30 June 2012 48](#_Toc354128073)

[Table 8.2: Top 10 presenting needs of registered clients—1 July 2010 to 30 June 2012 50](#_Toc354128074)

[Table 9.1: Farm Exit Support expenditure to 30 June 2012 52](#_Toc354128075)

[Table 10.1: Beyond Farming expenditure to 30 June 2012 54](#_Toc354128076)

# Acknowledgements

The WA pilot was a successful test of cross-agency cooperation. The programs were made possible with the assistance, coordination and support provided by:

* Agribusiness service providers (accountants, rural bank managers and farm advisers)
* Beyond Blue
* Bluebottle Consulting
* Centacare Family Services, Geraldton
* Centacare Western Australia
* Centrecare Inc
* Country Women’s Association
* Curtin University
* Department of Agriculture and Food Western Australia
* Australian Government Department of Families, Housing, Community Services and Indigenous Affairs
* Australian Government Department of Health and Ageing
* Australian Government Department of Human Services
* Australian Government Department of Treasury
* Esperance Business Enterprise Centre
* Great Southern University Institute of TAFE
* Growing Australia
* Headspace
* Landcare
* Members of the Drought Pilot Review Panel
* Murdoch University
* Operation Farm Break
* Pastoralists and Graziers Association Western Australia
* Planafarm
* Regional Development Australia
* Relationships Australia
* Rural and Remote Women’s Network
* Scott & Associates Consulting
* URS Australia
* Western Australian Community Resource Network
* Western Australian Council of Social Services
* Western Australian Farmers Federation

# List of Abbreviations and Acronyms

ABARES Australian Bureau of Agricultural and Resource Economics and Sciences

CRN Community Resource Network

DAFF Australian Government Department of Agriculture, Fisheries and Forestry

DAFWA Department of Agriculture and Food Western Australia

DHS Australian Government Department of Human Services

DoHA Australian Government Department of Health and Ageing

EC Exceptional Circumstances

ECIRS Exceptional Circumstances Interest Rate Subsidy

ECRP Exceptional Circumstances Relief Payment

FaHCSIA Australian Government Department of Families, Housing, Community Services and Indigenous Affairs

KPI Key Performance Indicator

LGA Local Government Area

NPA National Partnership Agreement

PAES Portfolio Additional Estimates Statements

PBS Portfolio Budget Statements

TIS Transitional Income Support

WA Western Australia

WACOSS Western Australian Council of Social Services

# Introduction

Purpose of this report

This report is administrative in nature and not intended to be a review of the pilot of drought reform measures in Western Australia (the pilot) or the efficacy of its component programs. A full review of the pilot was completed by the Drought Pilot Review Panel in September 2011. The Drought Pilot Review Panel’s review can be accessed online through the Department of Agriculture, Fisheries and Forestry’s website: (http://www.daff.gov.au/agriculture-food/drought/drought-pilot/drought-pilot-review).

This final report follows two previous Pilot of Drought Reform Measures Working Group reports, in December 2010 and March 2012, and provides final program data and partner agency assessments of the individual programs. The report is divided into the pilot programs and addresses key performance indicators, expenditure, uptake and key issues and findings (relating to components of individual programs).

The pilot of drought reform measures

In response to the national review of drought policy, on 5 May 2010, the Australian and Western Australian (WA) governments announced a pilot of drought reform measures to take place in WA from 1 July 2010 to 30 June 2011 (Phase One). On 10 May 2011, the pilot was extended for a further 12 months until 30 June 2012 and expanded to include the entire south-west of WA (Phase Two).

The pilot tested a range of measures to assist farmers in moving from a crisis management approach to a risk management approach to farming. It also trialled social support services tailored for farming families and rural communities.

The measures aimed to achieve the following outcomes:

* ensure farmers and their families were better equipped to adjust to the impacts of drought, increased climate variability and reduced water availability
* a more effective social support system for farming families and communities
* encourage farmers to adopt a self-reliant approach to managing farm risks
* encourage farmers to use Australia’s natural resource base and water resources more sustainably and efficiently.

The pilot consisted of seven programs:

* Farm Planning
* Building Farm Businesses
* Farm Family Support
* Farm Social Support
* Rural Support Initiative
* Online Counselling for Rural Young Australians
* Rural and Regional Family Support Service
* Farm Exit Support
* Beyond Farming
* Stronger Rural Communities.

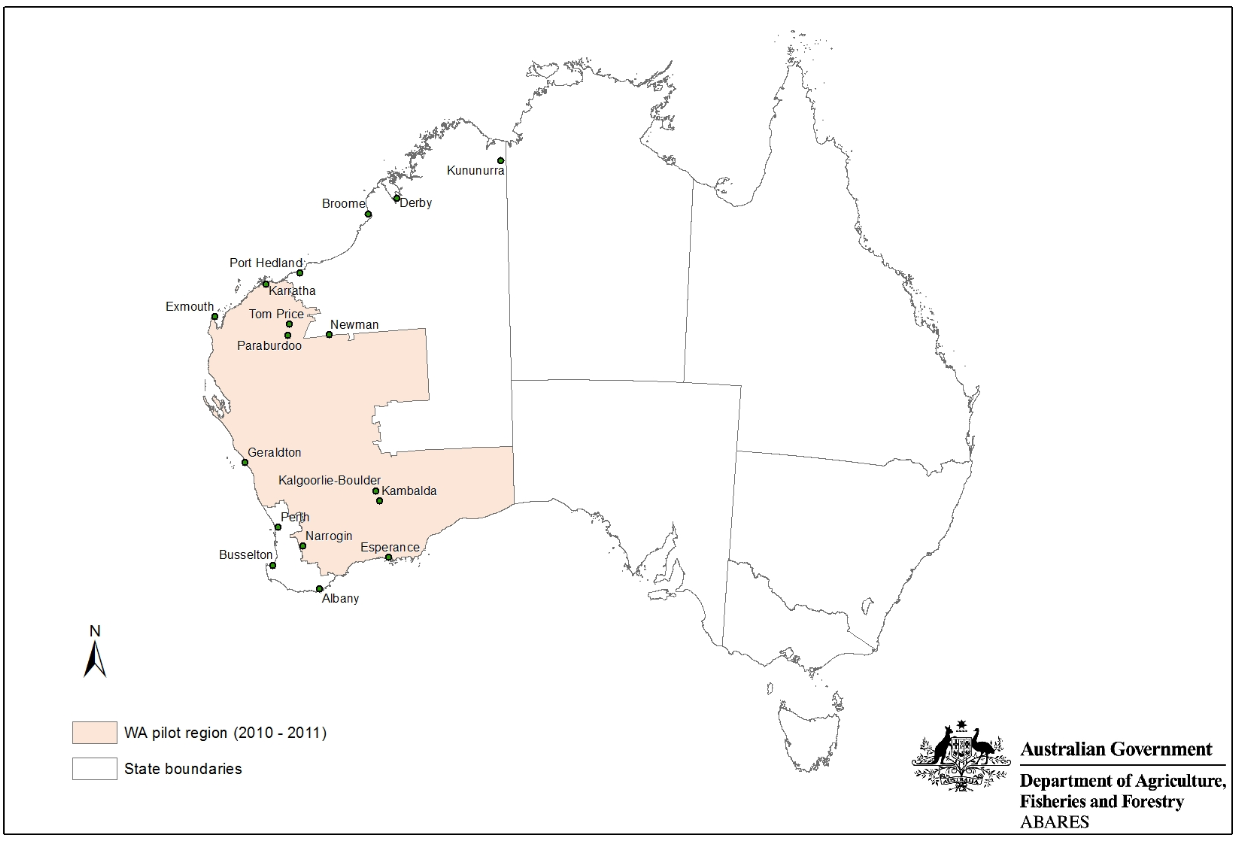
This report examines each of these programs against agreed key performance indicators and the overarching aims of the pilot. The components of the Farm Social Support program are considered individually.

The Australian Government funded the Stronger Rural Communities program, which ceased on 30 June 2011 and aimed to increase the capacity of rural communities experiencing significant hardship to build social capital, develop new and existing community networks and increase community resilience to the impacts of agricultural downturns. This program was examined in the previous reports of the Pilot of Drought Reform Measures Working Group and by the Drought Pilot Review Panel in its September 2011 review of the pilot. As such, the Stronger Rural Communities program will not be examined in this report.

The pilot region

The original pilot region incorporated the wheat belt area in south-west WA, the rangelands area and the irrigated farming district around Carnarvon (Figure 1.1).

Figure 1.1: The original pilot region (2010–2011)

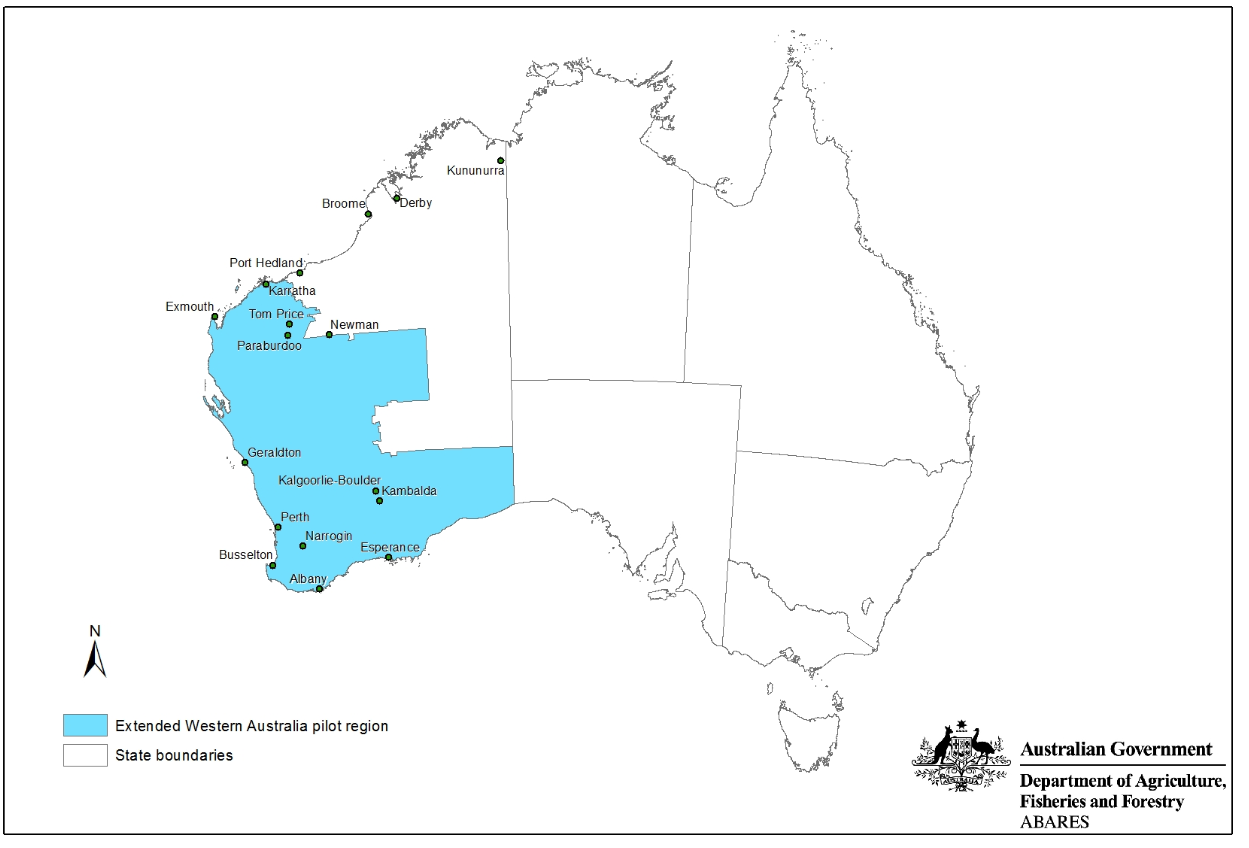


The expanded pilot region (Figure 1.2) included some areas that had been Exceptional Circumstances (EC) declared in the past and covered 56 per cent of WA’s land mass and 74 per cent of all agricultural land in WA.

No part of the pilot region was EC declared during the pilot period—the last EC declared area was Southern Rangelands Revised which ceased on 15 June 2009.

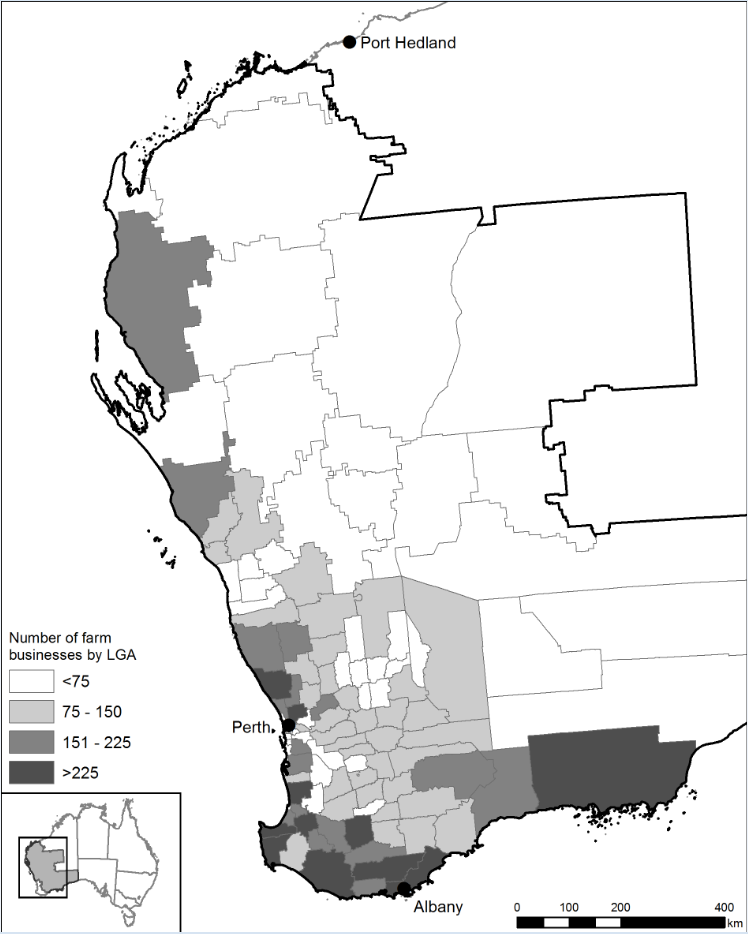
The expanded pilot region covered a broad range of farming businesses and climatic zones. The range of farming activities included cropping, livestock, dryland farming, pastoral and irrigated industries.

Figure 1.2: The expanded pilot region (2011–2012)

Highlights the wheatbelt area in south western Western Australia, the rangelands area and the irrigated farming district around Carnarvon Highlights the wheatbelt area in south western Western Australia, the rangelands area and the irrigated farming district around Carnarvon

The expanded pilot region comprised 130 local government areas (LGAs) and included approximately 13 000 farm businesses (representing 95 per cent of the farm businesses in WA). Farm businesses within the pilot region were concentrated in the wheat belt, with much lower farm business density in the rangelands (Figure 1.3).

Figure 1.3: Farm businesses per Local Government Area in the expanded pilot region



*Source: ABARES and the Australian Bureau of Statistics 2011*

Funding for the pilot

The Australian and WA governments committed $65 million and $16 million respectively for the pilot over five years.

The Australian Government’s funding contribution is shared across six agencies (Table 1.1), with the largest amount allocated to the Department of the Treasury to make payments to the WA Government (Table 1.2) for jointly funded activities delivered in accordance with the National Partnership Agreement (NPA) [[1]](#footnote-1).

Table 1.1: Australian Government funding for the pilot

|  | **2009–10**  **($m)** | **2010–11**  **($m)** | **2011–12**  **($m)** | **2012–13**  **($m)** | **2013–14**  **($m)** | **Total**  **($m)** |
| --- | --- | --- | --- | --- | --- | --- |
| Department of Agriculture, Fisheries and Forestry | 0.239 | 7.194\* | 15.105# | 0.072 | 0.072 | 22.682 |
| Department of Human Services | 0.567 | 2.884 | 7.244 | 0.104 | 0.000 | 10.799 |
| Department of the Treasury (Bill 2) | 0.000 | 1.055 | 16.782 | 7.772 | 1.157 | 26.766 |
| Department of Families, Housing, Community Services and Indigenous Affairs | 0.000 | 0.945 | 1.842 | 0.000 | 0.000 | 2.787 |
| Department of Health and Ageing | 0.000 | 0.897 | 0.165 | 0.003 | 0.000 | 1.065 |
| Department of Education, Employment and Workplace Relations | 0.000 | 0.225 | 0.938 | 0.000 | 0.000 | 1.163 |
| **Total Australian Government funding** | **0.806** | **13.200** | **42.076** | **7.951** | **1.229** | **65.262** |

\**Additional funding provided by PBS 2011–12*

#*Additional funding provided by PAES 2011–12*

Table 1.2: Western Australian Government funding for the pilot

|  | **2009–10**  **($m)** | **2010–11**  **($m)** | **2011–12**  **($m)** | **2012–13**  **($m)** | **2013–14**  **($m)** | **Total**  **($m)** |
| --- | --- | --- | --- | --- | --- | --- |
| **Total Western Australian Government funding** | **0** | **0** | **11.329** | **0.620** | **0** | **16.015** |

The funding for each of the pilot measures is outlined in Table 1.3. This includes administered funds paid to farmers and farm businesses and the delivery costs borne by the Australian and WA governments. Funds were also allocated to undertake communication activities and the Drought Pilot Review Panel’s review of the pilot. The Beyond Farming program was funded through the Farm Exit Support program.

Table 1.3: Funding for each of the pilot measures

| **Program** | **2009–10 ($m)** | **2010–11 ($m)** | **2011–12 ($m)** | **2012–13 ($m)** | **2013–14 ($m)** | **Total ($m)** |
| --- | --- | --- | --- | --- | --- | --- |
| Farm Planning | 0.099 | 3.492 | 8.919 | 0.000 | 0.000 | 12.510 |
| Building Farm Businesses | 0.006 | 1.470 | 18.093 | 8.464 | 1.354 | 29.387 |
| Farm Family Support | 0.542 | 6.544^ | 17.621# | 0.09 | 0.000 | 24.797 |
| Farm Exit Support | 0.000 | 0.187 | 1.786 | 0.017 | 0.000 | 1.990 |
| Beyond Farming | 0.000 | 0.130 | 0.310 | 0.000 | 0.000 | 0.440 |
| Stronger Rural Communities | 0.000 | 1.088 | 1.307 | 0.000 | 0.000 | 2.395 |
| Farm Social Support | 0.000 | 3.313 | 5.117 | 0.000 | 0.000 | 8.430 |
| Communications | 0.264 | 0.626 | 0.332+ | 0.000 | 0.000 | 1.222 |
| Review | 0.000 | 0.186+ | 0.000^ | 0.000 | 0.000 | 0.186 |
| **Total** | **0.911** | **17.036** | **53.485** | **8.571** | **1.354** | **81.357** |

*^Additional funding provided for Farm Family Support*

*#Additional funding provided by PAES 2011–12*

*+Under spends from Communications ($0.210 million) and Review ($0.178 million) budgets were used to offset the additional Farm Family Support funds*

*Please note: These figures include administration and departmental amounts from all six agencies*

Governance

The NPA for the Pilot of Drought Reform Measures between the Australian and WA governments defined the roles and responsibilities of the respective governments in the delivery of the pilot. The NPA was signed on 30 May 2010, and was extended on 3 October 2011 following endorsement by the Prime Minister, the Hon. Julia Gillard MP and the Premier of Western Australia, the Hon. Colin Barnett MLA, to reflect the extension of the pilot. It will remain in place until 30 June 2014, unless amended by the parties.

The NPA established the Pilot of Drought Reform Measures Working Group, which was responsible for coordinating the implementation and monitoring of the pilot programs and activities, assessing the distribution of financial contributions and overseeing the review of the pilot.

The Working Group consisted of senior representatives from:

* Australian Government Department of Agriculture, Fisheries and Forestry (DAFF) — Chair
* Department of Agriculture and Food Western Australia (DAFWA)
* Australian Government Department of Health and Ageing (DoHA)
* Australian Government Department of Human Services (DHS)
* Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

### Monitoring, reporting and review

#### Administrative reporting and review

In accordance with the NPA, delivery agencies provided monthly reports on the implementation and delivery of the pilot measures. These reports on program activities helped in identifying emerging trends and responding to any matters that required attention.

Key performance indicators (KPIs) were set out in the framework of the ‘Pilot of drought reform measures in Western Australia: monitoring and review strategy 22 October 2010’, which was consistent with the obligations of the NPA. These KPIs are addressed in each of the chapters for each of the programs.

As part of the NPA for the pilot, regular reviews were required to monitor progress towards the pilot’s intended outcomes and the allocation of financial contributions, if demand was significantly different to that estimated at the commencement of the pilot. These were scheduled for December 2010 and March 2012.

The progress report of 17 December 2010, considered the initial progress of the pilot including:

* demand for pilot measures
* expenditure for each measure versus the budgeted amount
* the distribution of program funds across the pilot region and farming types
* issues regarding the achievement of the pilot objectives.

A snapshot progress report was prepared and distributed amongst the drought pilot agencies in March 2012. The report gave an overview of uptake and expenditure to that time and informs this report.

This report is a supplement to the snapshot progress report of March 2012 and is the final report of the pilot and its associated programs. It addresses the administration, expenditure, and outcomes of each program against the KPIs.

#### Policy review

In February 2011, the Australian and WA governments announced arrangements for an independent review of the drought pilot to report by 30 September 2011. This included the appointment of the Drought Pilot Review Panel comprising of Mick Keogh (chair), Sue Middleton and Bob Granger. In conducting the Drought Pilot Review Panel’s review, the panel visited a number of communities across the pilot region to talk with pilot participants.

The panel also met with program delivery partners, industry organisations, banks, Australian and state government agencies and other interested parties in Perth and Canberra.

The panel received more than 50 written submissions from stakeholders. On 2 September 2011, Senator the Hon. Joe Ludwig, Minister for Agriculture, Fisheries and Forestry, released the Drought Pilot Review Panel’s report on the review of the drought pilot.

# Communication activities

The communication activities aimed to inform farmers, farm families and rural communities in the pilot region about their entitlements under the pilot. Effective communication activities were important to the overall success of the pilot ensuring a wide range of participants were reached and information was well distributed across the region.

Communication activities included the launch of the pilot, advertising the pilot in a range of media including media releases and the local press, a letter to all farmers in the pilot region about the support available, a series of information sessions held throughout the pilot region, factsheets, the establishment of a call centre and a dedicated website and email address. In addition, a letter was sent to all farmers in receipt of EC assistance outside of the pilot region informing them that EC assistance would not be affected by the pilot. The communication activities of the Australian Government Mobile Office (Mobile Office) are considered in more detail under ‘Farm Social Support—Rural Support Initiative’.

Snapshot against key performance indicators

|  | **2010–11** | **2011–12** |
| --- | --- | --- |
| Letters:   * Sent to farmers in pilot region within a month of pilot launch/extension * Sent to farmers in receipt of EC assistance within a month of pilot launch/extension | Achieved  Achieved | Achieved  Achieved |
| Fact Sheets:   * All printed fact sheets distributed | Achieved | Achieved |
| Information sessions:   * Level of attendance comparable to other rural information sessions (e.g. wheat export marketing) * A range of participants (including local farmers, advisors, community organisations and local government representatives) at information sessions | Achieved  Achieved | Achieved  Achieved |
| Website:   * Number of website hits comparable with other rural programs * Website live and content accurate at commencement and for duration of pilot | Achieved  Achieved | Achieved  Achieved |
| Emails:   * All emails responded to within two business days | Achieved | 75% achieved# |
| Hotline:   * Number of inquiries to Drought Assistance Hotline comparable with number of inquiries made to other rural program hotlines | 3353 pilot inquiries vs 65 536 total drought assistance hotline calls | 1920 pilot inquiries vs 15 151 total drought assistance hotline calls |
| * Broad distribution of callers across pilot region (by local government area)\* | Achieved | Achieved |
| * Number of complaints commensurate with other call centres\* | Complaint numbers low. Only 30 over life of pilot. No data on complaints to National drought assistance hotline | |
| Advertising:   * All advertising accurate * Advertisements placed in a range of print media across the pilot region * Advertisements led to increased number of inquiries about programs | Achieved  Achieved  Achieved | Achieved  Achieved  Achieved |
| All farmers, farm families and rural communities in the pilot region informed about their new entitlements and all Australian farmers in receipt of EC support informed that existing EC programs will not be affected by the pilot. | Achieved | Achieved |

*# 75 per cent of emails were responded to within two business days, with the balance requiring input from other areas across the Australian or Western Australian governments due to their complexity*

*\* Pilot inquiries are compared with inquiries to the general drought assistance hotline, though there are some qualifications to this comparison as the general drought assistance hotline is national and covers a broader range of rural assistance measures than the pilot. Data source: Department of Human Services*

Expenditure

Table 2.1: Communications expenditure to 30 June 2012

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *Australian Government Funding* | **2009–10** | | **2010–11** | | **2011–12** | |
|  | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** |
| DAFF Departmental | 0.070 | 0.070 | 0.172 | 0.172 | 0.123 | 0.123 |
| DAFF Administered | 0.169 | 0.185 | 0.358 | 0.066 | 0.000 | 0.023 |
| DHS Departmental | 0.025 | 0.025 | 0.096 | 0.096 | 0.209 | 0.209 |
| **TOTAL** | **0.264** | **0.280\*** | **0.626** | **0.334** | **0.332** | **0.355** |

*\* The additional funds expended in 2009–10 were from other DAFF appropriations*

Key issues and findings

### Website

A dedicated website for the pilot (www.daff.gov.au/droughtpilot) was launched on 5 May 2010. Content was updated as required to maintain accurate information about the programs. Delivery agencies also established websites with more detailed information about specific measures. The statistics that follow refer to the dedicated pilot website.

For the two phases of the pilot, between 5 May 2010 and 30 June 2012, 36 464 people visited the website, with an average of 45 visits per day. Visits to the pilot website were most concentrated in May 2010 (announcement of the pilot), with approximately 900 visits per week, and in the period of June 2011 to October 2011, with approximately 475 visits per week. The later spike in interest may be attributed to the announcement of the extension and expansion of the pilot. In February 2011 and January 2012 there was a significant decrease in the number of visits, from between 300 to 400 visits per week to around 100.

By 30 June 2012 this figure had dropped to around 300 visits per month (Figure 2.1). This may reflect the improvement in seasonal conditions and imminent closure of the pilot.

Figure 2.1: Visitors to the website per month 5 May 2010–30 June 2012

*Source: DAFF Web Development Section (July 2012)*

### Drought Assistance Hotline

The Drought Assistance Hotline (13 23 16) was managed by the DHS and continues to be the Drought and Farmer Assistance Hotline. The hotline was expanded from 5 May 2010 to respond to inquiries about the pilot. Calls about the pilot were managed through a DHS call centre based in Bunbury WA. The hotline proved a significant source of information, receiving 5273 calls about the pilot from 6 May 2010 to 30 June 2012. As at 30 June 2012, of the 51 per cent of callers who identified where they lived, more than 91 per cent were within the pilot region, distributed across 101 of the relevant 130 LGAs.

Of the callers to the Drought Assistance Hotline who reported how they heard about the pilot, professional advisers and word-of-mouth were the most common means, followed by print media, government websites, radio and government correspondence.

Complaints to the hotline were minimal, with only 30 complaints recorded over the life of the pilot.

### Email

A dedicated drought pilot email address was activated on 5 May 2010 and received 212 emails to 30 June 2012. Of the emails relating to specific measures, Stronger Rural Communities attracted the most interest, followed by the Farm Planning and Building Farm Businesses programs. Within two business days, 75 per cent of emails were responded to, with the balance requiring input from other areas across the Australian or WA governments due to their complexity.

### Printed material

Printed fact sheets and Frequently Asked Questions sheets were distributed to farmers and organisations in the pilot region through a range of channels, including pilot information sessions and the Mobile Office.

An initial print run of 6000 information kits were distributed in the first quarter of the pilot period, with an additional 1000 printed in October 2010 to be distributed as needed over the remainder of the pilot.

A further 5000 information kits were printed and distributed in June and July 2011 for the extended pilot area. Fact sheets were amended with the changes to the Farm Exit Program in December 2011 and again in March 2012. The high demand for this material indicates that it was well received.

### Information sessions

Public information sessions were held in towns across the pilot region during July and August 2010 and in the expanded south-west pilot region between 12 and 15 July 2011. These sessions provided information on the eligibility criteria and the application process for each of the measures available in the pilot.

In the first year of the pilot, 16 information sessions attracted 450 people, averaging 28 participants per session. This is comparable to the wheat export marketing information sessions convened by the Australian Government and held during 2008 in WA, which attracted an average of 23 participants per session.

In the second year of the pilot, seven information sessions were held between 12 and 15 July 2011 in the expanded south-west area of the pilot. These attracted a total of 177 participants, with an average of 25 participants per session. Attendees at information sessions included farmers, community organisation representatives, industry representatives, local government authority representatives and pilot program service providers.

The farmers attending information sessions in the second year tended to represent smaller scale businesses more typical of eastern states and included horticulture, dairy, sheep, beef and mixed cropping.

Attendees at all information sessions asked a broad range of questions, with most interest in the Farm Planning program and the Building Farm Businesses grants. There was also significant interest in Farm Family Support and the social support measures in the first year, including Stronger Rural Communities.

Strong interest in Farm Planning and Building Farm Businesses continued in the sessions held in the second year, with succession planning being very topical. There was also interest in mental health information in all of the sessions held in the south-west area in the second year.

A range of issues not specific to the pilot were also raised. These included concerns about increases to local government rates, restrictions on large vehicle transport, transport subsidies and general views about government climate change policies.

Where appropriate, the Frequently Asked Questions on the drought pilot website were updated to address common questions and issues raised at the information sessions.

Anecdotal reports on the outcomes of the information sessions suggest that they were well received and informative, with many attendees commenting that they appreciated the opportunity to hear about the pilot.

### Mail-outs

To ensure that all farmers in the pilot region were aware of the pilot, a joint letter from the Australian Government Minister for Agriculture, Fisheries and Forestry and the WA Minister for Agriculture and Food was sent to farmers in the region in June 2010. The Minister for Agriculture, Fisheries and Forestry also wrote to all farmers receiving EC assistance to advise them that the pilot would not affect their current assistance. Additional letters were sent during May and June 2010 to align with extensions to EC declarations at that time.

A second mail-out to farmers in the extended pilot region was undertaken in June 2011 to advise them of the extension. A mail-out to farmers receiving Farm Family Support was completed in March 2012 to remind them of the need to submit advice and training vouchers by mid-July 2012.

### Advertising

Advertisements were placed in both major and regional WA newspapers at the commencement of the pilot on 1 July 2010 to provide information about the pilot. Follow-up advertisements were placed in targeted regional newspapers providing details of the information sessions to be held in the area. Specific program advertisements were also printed for Stronger Rural Communities (July 2010) and Beyond Farming (August to November 2010).

There was substantial newspaper advertising of the extension and expansion of the drought pilot during June and July 2011.

### Media

Widespread awareness of the pilot was evident through consistent media interest since the announcement of its implementation on 5 May 2010. From May to July 2010 there was broad coverage of the pilot in press and radio across WA, as well as some coverage in other states.

During October and November 2010 there was increased media reporting on the dry seasonal conditions in WA, the Drought Pilot Review Panel’s review, and risk management tools such as multi-peril crop insurance and Farm Management Deposits.

On 1 July 2011, Senator the Hon. Joe Ludwig, Minister for Agriculture, Fisheries and Forestry, issued a media release, announcing the extension and expansion of the pilot. Minister Ludwig encouraged farmers within the drought pilot to take advantage of the support offered by the pilot measures. There was some local radio coverage by ABC South Coast WA Radio on the extension and expansion of the drought pilot.

On 9 February 2012 there was a two page article in the Western Australian Farm Weekly newspaper about the Beyond Farming mentor program which created considerable interest in the program within the farming community.

In March 2012, DAFF issued a media release announcing that the WA Pilot Farm Exit Support Program was fully subscribed and would therefore be closing to new applications.

Conclusion

Overall, communication activities appear to have been successful, with strong interest in the range of programs, illustrated by the number of applications received. This interest was broadly distributed across the pilot region.

Notwithstanding the extensive communication activities, service providers of the Mobile Office and facilitators of the Farm Planning sessions continued to find a small number of people in the pilot region who were unaware of the pilot and in particular the Farm Family Support program. This is unsurprising given the remoteness of some of the communities in the pilot region.

The number of calls to the pilot Drought Assistance Hotline and website hits dropped in 2011–12, possibly due to improved seasonal conditions and the imminent closure of the program.

Across the various communication activities, common issues and themes became apparent. The measures that consistently attracted the most interest were Farm Planning, Building Farm Businesses, Farm Family Support and Stronger Rural Communities, with people most interested in eligibility and application details and the monetary value of assistance. Succession planning was very topical in the July 2011 information sessions, suggesting farmers were thinking about planning for their futures.

# Farm planning

The Farm Planning program aimed to enhance farmers’ skills in business, natural resource management and personal planning with a particular focus on managing drought and climate variability, and to increase the number of farm enterprises with comprehensive written strategic business plans. The program was delivered through a training program structured around strategic business planning and included an independent assessment that the implementation of the plan would lead to a more viable farm enterprise.

Participation was free for eligible farm businesses to help them develop or update a strategic plan for their farm business. Farm businesses that completed the Farm Planning program had the opportunity to apply for a grant under the Building Farm Businesses program, to assist in implementing priority activities identified in their strategic plan.

DAFWA funded and administered the Farm Planning program, with the courses delivered by skilled service providers approved by DAFWA.

During Phase One of the pilot, Curtin University was engaged by DAFWA to develop and deliver the five Farm Planning modules:

* financial planning
* natural resource management
* managing the impacts of a changing climate
* work/life balance
* succession planning.

The modules covered the economic aspects of a strategic plan, such as risk management and financial planning; social aspects, such as personal and business goals; and environmental aspects such as managing the impact of a changing climate on production. Curtin University continued to deliver the Farm Planning program until the first quarter of Phase Two of the pilot, at which point DAFWA took over delivery. DAFWA appointed a panel of nine approved service providers, representing a range of sectors from universities (including Curtin University), TAFE, the community and the private sector to deliver the modules.

In Phase Two, DAFWA also developed new course material to trial, with content based on the same core aspects of the earlier program. The material was used by the new panel of service providers under the new delivery arrangements. The courses also included material that was targeted specifically to the location and farm enterprise mix represented at any given workshop. The material was regularly refined to incorporate lessons from successive courses, and delivered in line with adult learning principles.

DAFWA plans to continue a similar series of workshops into the future.

Snapshot against key performance indicators

|  |  |  |
| --- | --- | --- |
|  | **2010–11** | **2011–12** |
| Participation:   * Broad representative coverage across applicants— by local government area and by farming activity | Achieved | Achieved |
| Training courses:   * All available places filled * Total administered cost per farm business ≤$7500 * Broad representative coverage at courses by local government area and by farming activity * Course completion rates commensurate with similar courses * Most participants did not previously plan or plan effectively | Achieved  Not Achieved  Achieved  Achieved  Achieved | Achieved  Not Achieved  Achieved  Achieved  Achieved |
| Independent assessment of plans:   * All assessed plans would, if implemented, lead to a more viable farm business | Achieved | Achieved |
| * Independent assessments of plans completed within 10 business days | The assessment process was revised when found to be untimely | |
| Exit questionnaires:   * All participants place more value on farm planning | Achieved | Achieved |
| * All participants report that their strategic business planning skills have improved | Achieved | Achieved |
| * All participants report that, after Farm Planning, they felt their business was better prepared for drought/climate variability | >50% of participants felt they were better prepared | >90.9% of participants felt they were better prepared |
| * All participants intend to undertake some or all activities in their strategic plan | >50% of participants intend to implement activities in their strategic plans | 96.5% intend to implement most or all activities in their strategic plan |
| * All participants undertake some or all activities in their strategic plan | 55.9% as at 10 December 2012 had undertaken activites. | 16.3% as at 10 December 2012 had undertaken activities. |

Expenditure

In 2010–11, there were 422 approved applicants under the Farm Planning Program, with 374 farm businesses completing the course at a cost of approximately $3.4 million. In 2011–12, 734 applicants were approved, with 620 farm businesses completing the course at a cost of approximately $5.7 million.

In 2010–11, the program budgeted support of up to $7500 per farm business. This included up to $6000 for the cost of the course (paid directly to the service providers), $500 for the assessment of the strategic business plan by the independent advisory panel, and reimbursement of up to $1000 per farm business towards the cost of attending the course. The actual costs for the course ($7500 budgeted) were approximately $10 000 per farm business inclusive of independent assessment and reimbursement of expenses.

The higher than expected cost of delivery was attributed to the resource intensive roll-out of the program associated with short lead times from the program’s announcement to its implementation.

In 2011–12, the WA Government committed $10 000 per farm business. The total administered cost of delivery per farm business in 2011–12 (based on the 620 that completed the full program in 2011–12) was approximately $8242, however DAFWA’s administered budget was $8.0 million which allowed for $10 000 per farm business based on a potential 800 farm businesses undertaking training.

Table 3.1: Farm Planning expenditure to 30 June 2012

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *Australian Government Funding* | **2009–10** | | **2010–11** | | **2011–12** | |
| **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended ($m)** |
| DAFF Departmental  DAFF Administered | 0.000  0.000 | 0.000  0.000 | 0.000  0.000 | 0.000  0.000 | 0.119  0.000 | 0.119  0.000 |
| DAFWA Departmental1 | 0.099 | 0.099 | 0.317 | 0.599 | 0.800 | 0.507 |
| DAFWA Administered | 0.000 | 0.000 | 3.175 | 2.787 | 8.000 | 5.110 |
| **TOTAL** | **0.099** | **0.099** | **3.492** | **3.386** | **8.919** | **5.736** |

*1DAFWA Departmental administration costs are a combination of both the Farm Planning and Building Farm Businesses programs. Separate figures are not available*

Key issues and findings

### Course delivery

Adjustments were made to the program’s service delivery to achieve efficiencies in Phase Two. DAFWA adopted a regional delivery model and managed all logistical functions internally through staff located across the state. Processing and administration of the Farm Planning program and grant applications were carried out centrally, and the planning and organisation of delivery was carried out by five regionally based DAFWA staff. The change provided DAFWA with full transparency and control over the program, enabling improved scheduling and coordination of the workshops, and better relationships with participants. Cost efficiency was improved as a result of DAFWA shifting to the new arrangement of using a panel of service providers for the delivery of Farm Planning workshops. The decision to manage all logistical activities using a regional delivery model and DAFWA staff also contributed to improved efficiency. The overall quality of product, service and outcomes delivered was not compromised under the new panel provider arrangements.

The courses were delivered by facilitators with a mix of expertise. In addition to the lead facilitators, supporting facilitators were assigned to ensure that each farm business had assistance in developing their strategic business plan. The DHS Rural Service Officers, and Rural Social Workers, Rural Financial Counsellors and Beyond Farming mentors also attended the courses, particularly for the Finance and Work/Life Balance modules to provide additional support to participants.

The high ratio of facilitators to participants was integral to the success of the workshops and better enabled the completion of plans. In addition, each workshop series was assigned a DAFWA linkage officer (usually industry development officers). These officers provided a point of contact for the groups if they had any inquiries. They also provided information on a wider range of DAFWA products and services, and other Western Australian and Australian Government services and support products.

The schedule of courses across the pilot region was largely demand driven and, where possible, timed to suit seasonal operations for different farm enterprises.

Farm businesses were grouped according to geographic location. In areas with sufficient uptake, the group size was usually 10 farm businesses, with smaller group sizes in remote areas.

The five modules were typically presented over five individual days, or in two day blocks, to meet the needs of the farm businesses and the individual groups, with most courses completed within five weeks.

Workshops were delivered to 36 groups in 2010–11, and 62 groups in 2011–12, and were usually completed within three contact days. Due to extenuating circumstances (sickness or disability), three farm businesses were provided with one on one delivery through a single facilitator in 2011–12, with delivery usually completed within three contact days.

In 2010–11, the pilot region covered 6000, or approximately 43 per cent of Western Australian farm businesses. Around 6 per cent of farm businesses in the pilot region undertook the Farm Planning course in 2010–11.

In 2011–12, the expanded pilot region covered approximately 96 per cent of farm businesses in Western Australia (approximately 13 000). During Phase Two, 734 applications were approved for Farm Planning, with 655 commencing and 620 completing the course. Uptake was approximately 6 per cent of farm businesses in the expanded pilot region.

Course completion rates for the program appeared to be similar to, or greater than, those of like courses. Under the National Property Management Planning campaign that delivered whole-of-farm plan workshops from July 1996 to June 2000, there were 801 participants over four years (approximately 200 per year) in WA, representing approximately 2 per cent of WA farmers per year.

Applications for Farm Business Training in Phase One were received from farmers in 59 (88 per cent) of the 67 LGAs within the pilot region (Table 3.2). Carnarvon was the most represented LGA, accounting for 11 per cent of the total approved applications. The LGAs of Carnarvon, Esperance, Corrigin, Lake Grace and Ravensthorpe represented 39 per cent of the total applications approved. Phase Two achieved 69 per cent of LGA coverage, with applications from farmers in 90 of the 130 LGAs in the extended pilot region.

The program was undertaken by a broad range of farming enterprises. In Phase One, Farm Planning was strongly taken up by farmers in the broadacre industry, reflecting the high percentage of broadacre farms located within the Phase One pilot region.

Broadacre farms were also strongly represented in Phase Two, however the proportion of livestock farms undertaking planning also increased as the pilot region was expanded to include the entire south-west of the state, which contains predominantly livestock enterprises.

As each farm business was only eligible to complete the workshops once, participants were encouraged to bring multiple members of their farm business to the course: the majority of farm businesses had two members attending. Consistent with the earlier finding of the Drought Pilot Review Panel, female members of the farm business brought a broader perspective to the workshops and planning processes, particularly with regard to work/life balance and succession planning. Women were therefore encouraged to attend as part of the whole-of-farm engagement approach.

Table 3.2: Farm planning uptake

|  |  |  |
| --- | --- | --- |
|  | **Phase One (2010–11)** | **Phase Two (2011–12)** |
| **Total applications** | 456 | 756 |
| **Approved applications** | 422 | 734 |
| **Declined** | 3 | 9 |
| **Withdrawn** | 31 | 13 |
| **LGA representation (applications)** | 59 of 67 LGAs in pilot region (88% coverage) | 90 of 130 LGAs in expanded pilot region (69% coverage) |
| **Top LGAs (approved applications)** | Carnarvon (11%)  The LGAs of Carnarvon, Harvey, Esperance, Corrigin, Lake Grace and Ravensthorpe represented 39% of the total applications approved. | Carnarvon (7.3%)  The LGAs of Carnarvon, Harvey Augusta-Margaret River, Lake Grace and Manjimup represented 25% of the total applications approved. |
| **Farm enterprise representation (approved applications)** | 61.1% Broadacre  29% Livestock  9.5% Horticulture  0.4% Other | 37.3% Broadacre  39.6% Livestock  11% Horticulture  11.8% Other (including dairy) |
| **Per cent of expected uptake and completion achieved** | 93.5% of an expected 400 farm businesses  89% completion rate (422 started and 374 finished) | 78% of an expected 800 farm businesses  95% completion rate (655 started and 620 finished) |
| **Completed training** | 36 groups  (1125 people 374 businesses) | 62 groups (620 farm businesses) |

*Source: DAFWA (31 July 2012)*

### Course motivation

Entry and exit questionnaire results indicated that the possibility of obtaining a grant under the Building Farm Businesses measure remained the main motivation for starting the program (42 and 40 per cent of respondents in 2010–11 and 2011–12 respectively). However, on completion, only 24 per cent of Phase One and 31 per cent of Phase Two participants identified the possibility of obtaining a grant as the main benefit of the program. This result supports the Drought Pilot Review Panel’s earlier finding that Farm Planning was being valued on its own merits. The highest ranked benefit of the course in Phase One was ‘the development or updating of long-term goals’ (30 per cent of participants). In Phase Two, ‘engaging in strategic planning’ was considered the major benefit for 51 per cent of participants.

In 2011–12, 301 farm businesses claimed approximately $194 000 for reimbursement of out of pocket expenses. This equates to an average of $645 per claim. Approximately 50 per cent of businesses that completed the workshops submitted a claim, mainly to cover the cost of travel and accommodation.

It appears that reimbursement of costs provided a further incentive for participation, particularly for those who needed to travel longer distances to attend workshops.

Entry survey results indicated that the program successfully targeted those farm businesses that did not plan. The majority of respondents in 2010–11 and 2011–12 entered the course without a strategic business plan (60 and 76 per cent respectively). Phase Two of the Pilot appeared to include a group of farm businesses that had less involvement in past and present government schemes compared to Phase One. During Phase One, nearly one third had received Exceptional Circumstances Interest Rate Subsidy (ECIRS) payments compared with 12 per cent of businesses in Phase Two.

Survey data from 2010–11 and 2011–12 indicates that there was a degree of attitudinal change at the completion of the program, with most respondents placing a higher value on strategic farm business planning.

There was also a trend in survey respondents reporting that their strategic farm business planning capacity had improved and that they would refer to their strategic business plan more frequently after completing the program.

A key objective of the program was to support greater resilience and drought preparedness. Survey feedback indicated the participants felt they had improved drought preparedness; from 24 to 59 per cent in Phase One and from 62 to 91 per cent in Phase Two. Furthermore, participants had improved confidence in the future viability of their farm business; from 64 per cent to 85 per cent in Phase One and 77 to 93 per cent in Phase Two.

As part of the Farm Planning program, an independent advisory panel was set up to assess the strategic plans and determine if their implementation would lead to the farm businesses becoming more viable. In 2010–11, the independent advisory panel found that all of the 127 plans it assessed would, if implemented, lead to the farm business becoming more viable. In 2011–12, 670 plans were assessed with the same outcome.

Communication activities to raise awareness of the Farm Planning program were considered effective, with the courses well subscribed. Most participants heard about the pilot through word-of-mouth, from DAFWA or a consultant. In Phase Two, 95 per cent of participants indicated they would recommend Farm Planning to other farmers (up from 80 per cent in Phase One).

Conclusion

The Farm Planning program aimed to enhance farmers’ skills in strategic business planning through participation in courses that covered the economic, social and environmental aspects of farm planning.

The Drought Pilot Review Panel found that the Farm Planning program appeared to enhance farmers’ skills in strategic farm business planning. Of the 20 recommendations made in the Drought Pilot Review Panel’s review, 12 related to the Farm Planning and the Building Farm Businesses programs.

A significant outcome of the Farm Planning program was the completion of a tangible strategic business plan for farm businesses by its members. Individual farm business members were also up-skilled through the course of the workshops.They were supported in developing and completing a strategic business plan that they could use effectively in their farm business to assist in future profitability, resilience and risk management.

The program achieved strong uptake and participants were positive overall about the planning program. Most participants appeared to have more confidence in the future viability of their farm business after completing the program. Furthermore, most farm businesses considered they were better prepared to deal with drought and climate variability.

DAFWA plans to continue a similar series of workshops into the future.

# Building Farm Businesses

The Building Farm Businesses program provided grants to assist eligible farm enterprises to meet the cost of completing activities to prepare for and reduce the impacts of drought, reduced water availability and increased climate variability on agricultural productivity and the farm enterprise.

The objectives of the program were to:

* Assist eligible farm enterprises to adjust their business, improve risk management and improve their capacity to prepare for drought, reduced water availability and the impacts of increased climate variability.
* Increase natural resource management efforts to improve on-farm resilience and reduce the environmental impact of agricultural activity in times of extreme climatic conditions, such as drought.
* Reduce human stress associated with drought and reduce reliance on in-drought assistance.

To be eligible for assistance, farm businesses were required to have completed the Farm Planning program (see chapter 3) and have the independent advisory panel determine that the implementation of their strategic business plan would lead to a more viable farm business.

The grants available under the program were:

* **Farm Business Adaptation Grants** for eligible activities that help farm enterprises to prepare for drought, reduced water availability and the impacts of increased climate variability.
* **Landcare Adaptation Grants** for eligible activities with a natural resource management focus to help farm enterprises prepare for drought, reduced water availability and the impacts of increased climate variability. The grant aimed to confer a broader public benefit in relation to natural resource management and was consistent with national and state natural resource management priorities.

The program had two phases. Under Phase One, grants of up to $60 000 were provided ($40 000 for Farm Business Adaptation and $20 000 for Landcare Adaptation), with payments to be made in installments over four years from 1 July 2010 to 30 June 2014.

Under Phase Two, grants of up to $30 000 were provided without being prescriptive on the split between the Farm Business and Landcare Adaptation components. The grants were paid in two installments, over two years from 1 July 2011 to 30 June 2013. Farm businesses were eligible for one Farm Business Adaptation grant and/or Landcare Adaptation grant over the life of the program.

Phase One of the Building Farm Businesses program was jointly funded by the Australian and WA governments on an 89–11 per cent split. Phase Two was funded solely by the Australian Government. Both phases were delivered by DAFWA.

Snapshot against key performance indicators

|  |  |  |
| --- | --- | --- |
|  | **2010–11** | **2011–12** |
| Applications:   * Broad representative coverage across applicants by local government area and by farming activity | Achieved | Achieved |
| * Rejection rates based on asset tests are commensurate with Exceptional Circumstances Interest Rate Subsidy rejection rates | Application rejection rate too low to allow for effective comparison | Not achieved |
| Grantees:   * Broad representative coverage across grantees by local government area and by farming activity * All available funds taken up * Distribution of funds across Business and Landcare grants is commensurate with estimates | Achieved  Achieved  Not Achieved | Achieved  Achieved  Not Achieved |
| Outcomes:   * All grantees commence projects before 1 July 2011 * All grantees consider that the funded activities will better equip them to prepare for and manage the impacts of drought, reduced water availability and a changing climate | Achieved  Achieved | Achieved  Achieved |

Expenditure

Table 4.1: Building Farm Businesses expenditure to 30 June 2012

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *Australian Government Funding* | **2009–10** | |  | **2010–11** | |  | | **2011–12** | |  | | **2012–13** | | **2013–14** | |
| **Budgeted**  **($m)** | **Expended**  **($m)** | | | **Budgeted**  **($m)** | | **Expended**  **($m)** | | **Budgeted**  **($m)** | | **Expended ($m)** | | **Budgeted**  **($m)** | | **Budgeted**  **($m)** | |
| DAFF Departmental  Treasury Administered | 0.000  0.000 | 0.000  0.000 | | | 0.071  1.055 | | 0.071  0.872 | | 0.089  16.782 | | 0.089  15.605 | | 0.072  7.772 | | 0.072  1.157 | |
| DAFWA Departmental | 0.006 | 0.006 | | | 0.172 | | 0.599 | | 0.795 | | 0.795 | | 0.465 | | 0.055 | |
| DAFWA Administered | 0.000 | 0.000 | | | 0.172 | | 0.108 | | 0.427 | | 0.361 | | 0.155 | | 0.070 | |
| **TOTAL** | **0.006** | **0.006** | | | **1.470** | | **1.650** | | **18.093** | | **16.850** | | **8.464** | | **1.354** | |

*Note: funds for Building Farm Businesses are budgeted until 31 July 2014*

Key issues and findings

### Program uptake

There was strong interest in the Building Farm Businesses program during Phase One, with grants fully subscribed prior to applications closing on 30 June 2011. Grants were issued on a first come, first served basis. Original estimates for uptake of business grants were 144, and 129 for Landcare grants. During Phase One, 127 business grants and 125 Landcare grants were approved. 130 Farm businesses that completed the Farm Planning program in 2010–11 did not receive a grant due to the program being fully subscribed, however they were able to apply for a grant in Phase Two (Table 4.2).

Phase Two also experienced high demand with 674 business grants and 51 Landcare grants approved. The reduction of the grant to $30 000 paid over two years did not appear to negatively impact the uptake rates. This may be due to the 2011–12 financial year (Phase Two of the pilot) marking a recovery year from the extreme drought conditions experienced in 2010 for many WA farmers. Although the grant had been halved (from $60 000 to $30 000), a successful communication and promotion program ensured that Phase Two also achieved maximum grant uptake.

There was strong uptake of Building Farm Businesses grants by the cropping industry, reflecting the high percentage of cropping farms located within the Phase One pilot region.

Cropping was also strongly represented in Phase Two, however this can be linked to the number of approved Phase Two grants awarded to those farm businesses that completed Farm Planning in 2010–11 but missed out on a Phase One grant. The proportion of livestock farms receiving grants in Phase Two increased as the pilot region was expanded to include the entire south-west of the state, which is dominated by livestock enterprises (mainly beef cattle).

The KPI that measures rejection rates based on asset tests, for Building Farm Businesses being commensurate with ECIRS rejection rates for 2011–12, was assessed as not achieved. This is due to 18 per cent of applications for Building Farm Businesses being declined (10 declines based on assets out of a total 55 declines) compared to 4 per cent of applications for ECIRS being declined (20 declines based on assets out of a total of 557 declines). However, any declines were beyond the scope of the KPI and cannot be regarded.

Table 4.2: Building Farm Businesses statistics (applications to 31 July 2012)

|  |  |  |
| --- | --- | --- |
|  | **Phase One** | **Phase Two** |
| Total applications | 137\* | 733\* |
| Total approved applications | 127 | 675 |
| Approved grants | Farm Business 127 | Farm Business 674 |
| Landcare 125 | Landcare 51 |
| Declined applications | Total: 6  4- excess off-farm assets  2- incomplete applications | Total: 55  24- outside six week timeframe to apply  10- excess off-farm assets  14- incomplete applications  3- ineligible/expenditure  2- low equity  1- duplicate applications  1- partnership/eligibility |
| Withdrawn | 4 | 3 |
| LGA representation (applications) | 47 of 66 LGAs in the pilot region (70%) | 88 LGAs of 130 in the extended pilot region (68%) |
| Top LGAs (applications) | Corrigin and Lake Grace (22% of total applications) | Carnarvon, Harvey, Esperance and Lake Grace (23% of total applications) |
| Farm type representation:  Cropping  Livestock  Horticulture  Other | 68%  31%  1%  0.1% | 40%  37%  14%  10% |
| Per cent of expected uptake achieved | Farm Business 100% | Farm Business 100% |
| Landcare 100% | Landcare 100% |

\**These figures are not meant to add up—applicants could be approved for multiple grants and applicants declined can also reapply.*

*Source: DAFWA*

### Co-contributions

During Phase One of the pilot, many farmers commented that expenditures identified in their strategic plans would be well in excess of the $60 000 available.

The Drought Pilot Review Panel’s review addressed this by highlighting that grants were provided to assist farm businesses with costs and would not necessarily meet the full costs. The total co-contributions from the 127 grantees in Phase One are expected to be approximately $5.1 million over four years to 2014.

Phase Two co-contributions from the 675 grantees are expected to be approximately $9.9 million over the two years to 30 June 2013.

During Phase One, farmers were concerned that the off-farm asset test of $750 000 was too restrictive. However, the Drought Pilot Review Panel’s review considered the off-farm asset limit as appropriate and Phase Two data also supported this point. Overall only 1.6 per cent of applications were declined as a result of asset tests.

During Phase Two of the pilot, personal development training was a mandatory requirement for all clients. Training was included as a means of ensuring that members of the farm business improved their skills and understanding in order to make better decisions. Generally, the type of training undertaken was for farm business management such as financial report preparation, farm production budgeting/forecasting and succession planning.

The top four funded activities for Phase Two business grants were associated with fodder conservation, improving soil quality, precision farming and equipment purchase and modification. The uptake of these activities was consistent with those undertaken in Phase One.

The Drought Pilot Review Panel noted that while these activities were likely to deliver efficiency gains and short-term productivity benefits, activities such as the purchase of precision farming equipment and soil quality improvement tools were less likely to deliver long-term benefits with respect to improving preparedness for future impacts of drought. The focus for Landcare grants shifted from predominantly improving soil quality activities in Phase One, to establishing native species to re-vegetate degraded land in Phase Two.

Conclusion

Over the life of the program, 801 farm business grants and 176 Landcare grants were issued to assist farmers to undertake activities that they may not have otherwise undertaken to improve the viability of their farm businesses. These activities aimed to assist in improving risk management and increase capacity of farmers to prepare for drought, reduced water availability and the impacts of a changing climate.

While a high percentage of applicants provided co-contributions to the projects, indicating buy-in, the measure was financially demanding on government. Furthermore, the Drought Pilot Review Panel’s review highlighted how many of the funds were used to meet typical input and operating costs and therefore making it difficult to measure improvements in-drought preparedness.

# Farm Family Support

The Farm Family Support program provided income support to farmers facing financial hardship to allow them to meet basic household expenses and assist them to take action to understand and improve the financial position of their households.

There were three elements of the Farm Family Support program:

* Income support paid fortnightly based on the Newstart Allowance basic rate (or the Youth Allowance rate for those under 21), to help farmers and their families meet basic household needs.
* Case management support to assist farmers to develop a plan of action that may improve their financial position on-farm or off-farm.
* The implementation of action plans with up to $2500 available to fund the cost of financial advice to assess a farmer’s long-term financial position and a further $5000 to fund professional advice and/or training.

Farmers receiving Farm Family Support were also required to meet mutual responsibility requirements to receive income support, such as identifying and taking action to improve their financial position and having a farm financial assessment completed.

The Farm Family Support program was funded by the Australian Government and delivered by DHS on behalf of DAFF.

Eligibility criteria

The income support rate of payment available under the Farm Family Support Program took into account the age and marital status of the applicant, their income and a total net asset test. To receive the Farm Family Support Payment, applicants needed to meet a number of eligibility criteria.

### Asset limits

The Farm Family Support program had a tapering total net assets test that started at $2 million, including the farm. The only exempt assets were superannuation and life insurance. The fortnightly rate of income support was reduced by $0.04 for every $1000 in assets over $2 million.

Farmers are often excluded from traditional income support initiatives due to high asset levels. The income support available under the Farm Family Support Program recognised that farmers are typically asset rich and cash poor.

### Liquid assets

A waiting period was applied to potential recipients to encourage those with liquid assets in excess of $20 000 to draw on these funds before accessing public assistance.

This $20 000 threshold was higher than that typically applied to the Newstart Allowance in recognition of farm businesses requiring more working capital than ordinary households.

The liquid asset waiting period was applied to any farm with liquid assets over the $20 000 threshold. For every $1000 in liquid assets in excess of $20 000, applicants incurred a one week waiting period (up to a maximum of 13 weeks) before they could receive the Farm Family Support Payment.

### Income test

As part of the Farm Family Support eligibility requirements, an income test was required. Under the test, an applicant could earn pre-tax income of up to $62 per fortnight before the level of their Farm Family Support payment was affected.

Snapshot against key performance indicators

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2010–11** | **2011–12** | | | **Additional Comments** |
| 2010–11: 80% of claims assessed within 42 days  2011–12: 80% of non-complex claims within 42 days and 80% of complex claims within 70 days | Not Achieved  42% of decisions made within 42 days | Partially Achieved  75% of non-complex decisions made within 42 days and 89% including complex claims within 70 days | | | KPI amended in 2011–12  to accommodate complex claim processing |
| Demand for assistance commensurate with Exceptional Circumstances Relief Payment (ECRP) | 833 (14%) applicants out of approximately 6000 farmers in pilot region | 340 (3%) applicants out of approximately 13 000 in pilot region  Note: 428 recipients were carried over from 2010–11 | | | 33 071 (42%) farmers applied for ECRP in 2007–08 (the year with the highest number of EC declarations), out of approximately 79 000 farm businesses in all EC regions that year |
| Proportion of claims rejected commensurate with ECRP | 36% of Farm Family Support applicants rejected | 47% of FFS applicants rejected | | | 13% of farmers applying for ECRP in  2007–08 were rejected |
| Proportion taking up professional advice and/or training grants commensurate with Transitional Income Support (TIS) | 58% of those granted in 2010–11 utilised other advice and training | 50% of those granted in 2011–12 utilised other advice and training | | | 34% of TIS recipients used a Climate Change Adjustment Program, Advice and Training grant for advice and training rather than a Farm Business Analysis and Financial Assessment |
| Number of recipients on income support with low or no income from any source | No data collected | | | |  |
| All recipients meet Farm Financial Assessment requirements | 89% of those granted in 2010–11 completed a Farm Financial Assessment to date (includes Farm Financial Assessments completed in the 2011–12 year due to the inherent lag of the program) | | Achieved  All of those granted in  2011–12 completed a Farm Financial Assessment |  | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2010–11** | **2011–12** | **Additional Comments** | |
| All recipients complete Action Plan | 94% of recipients granted payment in  2010–11 completed an Action Plan | 98% of recipients granted payment in 2011–12 completed an Action Plan | Applicants from 2010–11 may have completed their action plan in 2011–12, but this was not reflected in 2010–11 reporting  Note: Action Plan to be completed within 28 days of returning the Farm Financial Assessment. Lower completion rate by recipients from 2011–12 was partially a result of shorter time on payment | |
| All advice/training grant recipients feel better informed about how to improve the viability of their farm, diversify or exit | Achieved  Rural Service officers feedback supports this | Achieved  Rural Service officers feedback supports this |  |
| More recipients discontinue payments due to improvement in their financial position (or leaving farming), compared with ECRP and TIS | 49% of recipients who were cancelled from payment in 2010–11, discontinued payment either because their financial situation improved or they left farming | 57% of recipients who were cancelled from payment in 2011–12, discontinued payment either because their financial situation improved or they left farming | By contrast, for ECRP and TIS, 14% of farmers left income support before the program end date. Of that 14%, 35% of ECRP recipients and 9% of TIS recipients left because their financial situation improved |

Expenditure

Farm Family Support was a ‘demand driven’ program in that recipients were provided funds according to whether or not they met eligibility criteria which assessed their level of need and means, similar to other welfare payments.

Table 5.1: Farm Family Support expenditure to 30 June 2012

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| *Australian Government funding* | **2009–10** | | **2010–11** | | **2011–12** | | **2012–13** |
| **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted1**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** |
| DAFF Departmental | 0.000 | 0.000 | 0.172 | 0.172 | 0.239 | 0.239 | 0.000 |
| DAFF Administered | 0.000 | 0.000 | 4.8302 | 4.830 | 12.7543 | 12.290 | 0.000 |
| DHS Departmental | 0.542 | 0.542 | 1.275 | 1.275 | 3.525 | 3.525 | 0.087 |
| DoHA Administered | 0.000 | 0.000 | 0.042 | 0.042 | 0.165 | 0.165 | 0.003 |
| DEEWR Administered | 0.000 | 0.000 | 0.225 | 0.225 | 0.938 | 0.938 | 0.000 |
| **TOTAL** | **0.542** | **0.542** | **6.544** | **6.544** | **17.621** | **17.157** | **0.090** |

*1Includes wind up costs in 2012–13 budget*

*2Additional funds to cover additional uptake 2010–11*

*3DAFF requested additional funds to cover projected uptake*

Key issues and findings

### Applications

A total of 1173 applications were submitted during the Farm Family Support program. Of those applications, 741 were granted payment, 193 lapsed due to the requested documents not being supplied and a further 239 were rejected for other reasons. Of the 741 previously granted applications, 267 had their payment cancelled.

High demand resulted in the Australian Government committing an additional $2.2 million to the program in 2010–11. Expenditure in the first year was inflated by higher than expected average fortnightly payments and higher than expected expenditure on advice and training.

Early in 2011–12, the Australian Government committed an additional $1.7 million to the Farm Family Support program, addressing the above and assuming that similar demand would arise in the expanded pilot region as was seen in the first year of the pilot. Despite the expansion of the pilot region, which more than doubled the number of farm businesses covered by the pilot, uptake was lower than expected at the time additional funds were authorised.

High uptake in the first year was addressed in both the December 2010 pilot progress report and the Drought Pilot Review Panel’s review in September 2011. Consultations with communities and service providers by the Drought Pilot Review Panel found this to be largely due to the dry season in WA in 2010. The significance of the 2010 dry season is also supported by the number of recipients that no longer required payment in 2012 due to increased income following the improved season.

A review of uptake distribution for Farm Family Support shows that there was broad uptake across the expanded pilot region, though predominately in the original pilot region with further concentration in LGAs around Lake Grace.

Advice and Training grant usage (for purposes other than Farm Financial Assessments) was double what was expected for applicants who received payment in 2010–11. Uptake for new recipients in 2011–12 was lower as recipients had a shorter period of time to use the grant.

Assessment of applications took considerably longer than originally expected, with only 42 per cent (the KPI was 80 per cent) of the 2010–11 claims assessed within the target of 42 days. Numerous factors contributed to delays, including strong initial demand, delays by applicants in submitting required documentation and the complex business structures of many farm family applicants requiring complex income and assets assessments. In addition, there was also a short implementation period for the program, which affected recruitment and training of DHS staff, along with time to consolidate procedures.

The 42 day target was based on DHS experience with ECRP. In hindsight, greater appreciation could have been given for the time required to assess and value farm assets, which is not a feature of ECRP.

These issues were recognised in the second year of the pilot, and the KPI was renegotiated.

Forty-two days were allowed for non-complex claims and 70 days for claims requiring a Complex Assessment Officer. This was consistent with the various farmer exit programs that also required full asset valuation.

The renegotiation of the KPI and ongoing improvements resulted in the processing of 75 per cent of non-complex claims within 42 days, and 89 per cent within 70 days for complex claims that had a decision made in the second year of the pilot. This did not include claims that were yet to be processed, some of which were extremely complex and experienced protracted delays.

Aside from applicants being rejected for failing to provide the requested documentation, data shows that income was the single greatest factor causing applications to be rejected, with approximately 39 per cent of rejections attributed to income being too high.

### Action plans

Action plans were developed by Farm Family Support recipients with support from a Rural Service Officer (service officers) to identify ways to improve a farmer’s financial position. As at 30 June 2012, DHS data indicated that of the 712 recorded action plans (650 of which had been completed) there were 2099 individual activities recorded, with nearly one third of farmers having additional activities added over the second year of the program. Of those activities, 84 per cent related to actively staying on the land. Succession planning, legal advice and financial and business planning advice also featured prominently. A further 16 per cent of activities were targeted off-farm, ranging from retirement to exploring off-farm business opportunities or alternative careers.

The Drought Pilot Review Panel considered the action plan process to be useful in supporting farmers to consider their circumstances, particularly in relation to retirement and off-farm career opportunities, and viewed it as an important vehicle for establishing links with other services. The Drought Pilot Review Panel concluded that there was not a sufficient amount of time elapsed to determine the long-term benefits of the action plan.

Service officers have subsequently indicated that the financial assessment and action planning activities were well received and that many recipients intended to commence these activities as soon as possible after being assessed as eligible for the support.

New information since the Drought Pilot Review Panel’s review demonstrates, unsurprisingly, that it is farmers’ preference to stay on-farm. Seventy-eight per cent of Farm Family Support recipients preferred to remain on the farm and improve farm performance.

A feature of Farm Family Support was the requirement that recipients actively work to review and improve their financial circumstances, with an aim to improving their long-term security and a reduced reliance on income support. During its consultations, the Drought Pilot Review Panel heard there was strong support from farmers for Farm Family Support’s mutual responsibility activities of case management, detailed financial assessments and action plans for improving recipients’ circumstances.

Furthermore, Farm Family Support recipients were required, within 28 days of the lodgment of a completed farm financial assessment, to develop their action plan. The data shows that 28 days was sufficient time to complete the action plan, with only seven per cent of recipients requesting an extension to complete their plan.

Farmers undertook a range of activities to improve their farm performance (Table 5.2). The most common activity by far was the farm financial assessment, which was mandatory for Farm Family Support recipients. Business and farm technical advice were also popular. It is worth noting that 83 vouchers were used for succession planning as farmers looked at retirement as a long-term plan. There was some interest in retirement planning but farmers often delayed retiring until they could be assured that the family farm would stay within the family. This is consistent with the survey results that most recipients wanted to stay on-farm.

No recipient used the advice and training vouchers for recognition of prior learning, despite 517 applicants stating on their application form that they had skills that could be formally recognised.

Table 5.2: Activities undertaken to improve farm performance as at 30 June 2012

|  |  |  |
| --- | --- | --- |
| **Voucher** | **Number of vouchers** | **Total fee charged ($)** |
| Farm Financial Assessment | 811 | 1 761 306 |
| Farm Technical Advice | 137 | 454 228 |
| Business Management Advice | 72 | 270 869 |
| Succession Planning | 83 | 267 789 |
| Agricultural Related | 52 | 151 924 |
| Financial Planning Advice | 75 | 222 476 |
| Professional Qualifications in non-rural | 20 | 33 106 |
| Soil Science | 12 | 28 016 |
| Taxation Implications Advice | 6 | 15 421 |
| Skills to Improve Financial Situation | 15 | 16 284 |
| Legal Advice | 8 | 15 193 |
| Business Management Training | 8 | 11 975 |
| Budgeting Advice | 2 | 8 300 |
| Travelling Allowance | 9 | 2 408 |
| Professional Services | 1 | 4 400 |
| Trade related training in rural industries | 2 | 2 498 |
| Software Farm Specific | 8 | 5 383 |
| Trade related training in non-rural industries | 9 | 13 187 |
| Software other uses | 6 | 3 066 |
| Transport Assistance | 6 | 1 099 |
| Horticultural Training | 1 | 1 145 |
| Chemical Management | 1 | 180 |
| Animal Health Advice | 1 | 0 |
| Other | 83 | 105 606 |
| **Total** | **1428** | **3 395 860** |

The long-term impact of advice and training on farmers’ financial security is not known. In an analysis of the Farm Family Support, farm financial assessments by DHS, only 41 per cent of farmers anticipated that they would achieve financial security within the next 12 months at the time of their claim.

Some farmers and their partners who sought to improve their off-farm experience and skills had such increases to their off-farm income that their income support was cancelled. Of the 267 recipients who had their payment recorded as cancelled, 50 per cent were cancelled due to having increased income. This supports the feedback received by service officers that there is some consideration of off-farm options (Table 5.3).

Table 5.3: Preferred methods to improve financial position as identified by Farm Family Support recipients

|  |  |
| --- | --- |
| **Preferred method to improve farm performance** | **Proportion of Farm Family Support recipients as identified in Action Plans (per cent)** |
| Remain on-farm and improve farm performance | 78 |
| Remain on-farm and improve off-farm income | 7 |
| Remain on-farm and diversify | 5 |
| Re-establish outside farming | 5 |
| Undecided | 4 |

The Drought Pilot Review Panel recommended a stronger link in action planning and associated activities with the Rural Financial Counselling Service, and for plans to encompass personal and family wellbeing needs and goals. Actual farm social support referrals exceeded the numbers that were included as formal objectives in action plans, with over 1000 cross referrals between Farm Family and Farm Social Support programs.

There is evidence of such goals being included in plans, with succession planning, counselling and Farm Social Support featured as formal objectives in nine per cent of cases.

### Assets

The policy behind the total net asset test is that people with substantial assets, aside from their home, should use these assets to meet their day-to-day living expenses before calling on the government for support.

Given the $2 million asset test does not distinguish between farm and non-farm assets, it was possible for successful Farm Family Support applicants to have high levels of non-farm assets that could be drawn on to support themselves. Of the 432 rejected applications only eight were rejected because assets were too high, while only 50 (7 per cent) of recipients’ payments were reduced from the maximum based on their assets. The figure below (Figure 5.1) indicates that most recipients’ total net assets were below $1 million. This suggests that income had a far greater influence on an applicant’s eligibility than assets.

Figure 5.1: Net assets of Farm Family Support recipients

For the two years of the program, there were 741 recipients[[2]](#footnote-2) of Farm Family Support. Approximately 43.5 per cent (323) of those income support recipients served a Liquid Assets Waiting Period. Of those, 87 per cent (281) served the full 13 weeks as they held liquid assets greater than $26 500 (as a single person) or $33 000 (partnered).

Conclusion

The Farm Family Support program was well received, with demand for the program well above anticipated uptake, especially early in the 2010–11 financial year. This higher demand, coupled with the number of claims that required a complex assessment because the business structure operating the farm enterprise involved a trust or company, had an impact on assessment timeframes. The assessment timeframes improved over the life of the program.

The time taken for an applicant to start receiving payment was reduced with the applicant commencing mutual obligation requirements (Farm Financial Assessment and Action Planning) in line with claim processing. The early engagement in the mutual obligation process was also extremely effective and became an important focus of the program.

The high early demand for the program was responsible for increased pressure on the DHS service officers’ network, which was heavily involved in the promotion of the pilot, providing outreach services (claims assistance) as well as case managing farmers through their mutual obligation requirements. The level of case management affected the amount of outreach services and promotional activity that could be undertaken and additional service officers were brought in to support the pilot during this period of high demand.

The Drought Pilot Review Panel commented positively on the outreach services provided by the service officers’ network, and that it provided a significant and necessary social support service to rural and remote regions. The role of the service officers needed to balance these competing requirements to ensure that they could provide a complete service.

# Farm Social Support — Rural Support Initiative

The Rural Support Initiative (the initiative) aimed to provide social support services that were more accessible, coordinated, integrated and efficient in meeting the needs of clients in rural and remote areas.

The initiative aimed to:

* Increase the coordination between governments and agencies in delivering drought policy through the appointment of a Rural Support Coordinator (the coordinator).
* Increase funding for the Australian Government Mobile Offices to allow travel to rural areas of Western Australia to improve outreach mobility of human services.

The initiative was funded by the Australian Government and delivered by DHS, including the Mobile Office, as part of the Farm Social Support program.

Snapshot against key performance indicators

|  |  |  |
| --- | --- | --- |
|  | **2010–11** | **2011–12** |
| Professional staff (Rural Services Officers and Rural Social Workers) are available during pilot period | Achieved | Achieved |
| Mobile Office is present in pilot region for at least one month | Achieved  Mobile Office made two visits to the region over the 2010–11 financial year | Achieved  Mobile Office made one visit to the region over the 2011–12 financial year |
| Mobile Office provides broad representative coverage of pilot region | Achieved | Achieved |
| Demand for professional staff commensurate with demand in Exceptional Circumstances declared areas | Achieved | Achieved |
| Demand for Mobile Office commensurate with Exceptional Circumstances declared areas | Achieved | Achieved |
| Stronger cross-service liaison | Achieved | Achieved |
| Clients found that services were more accessible and efficient | Achieved | Achieved |
| Clients found referrals beneficial | Achieved  Indicated through customer feedback | Achieved  Indicated through customer feedback |

Expenditure

Expenditure estimates in 2010–11 were based on engaging Rural Service Officers (service officers), the coordinator and three Rural Social Workers (social workers) in centres across the pilot region, and the deployment of the Mobile Office in the region for at least one month.

In the second year of the pilot, service officers were increased to 14 and social workers were doubled to six to reflect the doubling in size of the target population.

Table 6.1: Rural Support Initiative expenditure to 30 June 2012

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *Australian*  *Government funding* | **2009–10** | | **2010–11** | | **2011–12** | |
| **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** |
| DHS Departmental | 0.000 | 0.000 | 1.513 | 1.513 | 3.164 | 3.164 |
| DHS Administered | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **TOTAL** | **0.000** | **0.000** | **1.513** | **1.513** | **3.164** | **3.164** |

*Note: In 2011–12, $0.031 million expended by DAFF across all Farm Social Support Programs*

Key issues and findings

### Rural Support Coordinator

The coordinator organised services under the Farm Social Support program. They were responsible for two team leaders who were then responsible for either the service officers or the social workers.

The inclusion of the coordinator was invaluable, with strong networks developed to help coordinate services according to need across the region.

The coordinator had regular contact with the service officers, social workers and other DHS staff. The coordinator developed positive relationships and worked with other WA Pilot program partners such as the Department of Agriculture and Food Western Australia, Western Australian Council of Social Services, Department of Families, Housing, Community Services and Indigenous Affairs, and numerous other government and non-government providers. The networks developed by the coordinator enabled him/her to be informed about local issues and stress points, and to respond quickly when required. For example, when there were reports of significant mental health issues in a region, the coordinator was able to assist in organising the appropriate support services to be rapidly available.

As an example of the coordinator role, the coordinator organised for service officers to attend accountancy conferences. This ensured effective communication of the full range of measures available in the pilot that may have been applicable to the accountants’ clients. Accountants and farm advisers were found to be valuable in identifying potential clients in hardship as they had a good understanding of their client’s situation and needs.

It was identified that clients often assumed they were ineligible for assistance, and were more inclined to apply on the recommendation of their accountant or farm advisor.

### Rural Service Officers and Rural Social Workers

Service officers from DHS helped farmers and their families access income support and a range of other support services. They provided case management assistance to Farm Family Support applicants and helped support recipients under the initiative to develop action plans and access advice and training to improve long-term financial security. Service officers also assisted farmers and rural community members with the application processes for a range of services delivered by DHS.

Social workers from DHS provided short-term personal support and counselling. Both service officers and social workers could advocate on behalf of clients and provide referrals to other agencies.

DHS had previous experience with providing service officers and social workers to assist farm families and rural communities in difficulty, mainly in conjunction with EC drought assistance.

This made it possible to quickly implement the Rural Support Initiative in the pilot region and have social support staff available. However, DHS noted it is often difficult to recruit qualified staff to small rural communities.

In 2010, as the dry season developed, the demand for service officers increased. As it became apparent that the demand for services was greater than expected, additional staff were appointed, including deploying interstate service officers to the pilot region. Seven service officers and three social workers were employed during 2010–11. This increased to 14 service officers and six social workers throughout 2011–12. Service officers provided outreach and in-office services based in the regional centres of Geraldton, Midland, Northam, Bunbury, Albany and Perth.

Service officers were particularly important in the delivery and effectiveness of the Farm Family Support program. They helped farmers identify and locate documents required to support the application process (for payments), provided case management assistance to assist farmers in meeting mutual responsibilities, supported farmers in obtaining financial assessments, and assisted in developing action plans with farmers and their families for improving their long-term circumstances. Service officers were also vital in making Farm Family Support and other outreach services accessible in remote areas.

Social workers were based in Geraldton, Albany, Midland, Northam and Bunbury. Significant periods of time were also spent servicing other remote localities such as Carnarvon, Esperance, Lake Grace and Merredin. Environmental factors such as dry conditions in Lake Grace, and floods and plant disease in Carnarvon increased the demand for social workers in these areas.

They visited and worked closely with families, communities and service providers throughout the region by visiting farms, rural homes and attending field days, community information days and seminars. They also attended to customers at the Mobile Office.

The monthly reports on the Rural Support Initiative confirmed that clients found the services under the initiative were available, accessible and efficient in providing outcomes for the individuals and families involved, including families in hardship.

It was evident in the monthly reports that the service officers and social workers were also important in promoting and explaining the other pilot measures available to clients. Even when demand for services was high, service officers were able to engage over the phone to ensure families were getting the support they needed.

Another observation made in reporting was how beneficial social workers had been when attending outreach services. Historically when social support was offered, clients would often decline as they were reluctant to admit assistance was needed. However, the presence of the social workers proved beneficial as social support could be provided in a manner which did not require the client to make the initial contact.

Although this increased resource requirements beyond capacity, it appeared to be the most effective way of reaching clients in need, who would otherwise not access social support services.

As identified in the Drought Pilot Review Panel’s review, it is important to note that while outreach is an effective mechanism for reaching previously unmet demand for social support services, it is resource intensive. The service officers and social workers were required to travel long distances and spend several hours on each visit.

Service officers and social workers also provided a significant amount of information and customer service by telephone (18 182 calls over the pilot period). Notably, after phone contact, farm and home visits were the next most frequent form of service delivery for service officers, with 1891 visits over the two year period (Table 6.2).

Table 6.2: Rural Support Initiative customer contacts

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Rural Services Officers** | | **Rural Social Workers** | |
| **End Year One** | **Total Pilot** | **End Year One** | **Total Pilot** |
| Number of Farm or Home Visits | 927 | 1 891 | 233 | 482 |
| Number of In Office Interviews/Mobile Office Contacts | 913 | 1 344 | 98 | 364 |
| Number of Phone contacts | 5 546 | 16 515 | 431 | 1 667 |
| Contacts at Field Days | 278 | 559 | 280 | 391 |
| Contact at Seminars | 605 | 1 032 | 362 | 1 172 |
| **TOTAL** | **8 269** | **21 272** | **1 404** | **4 072** |

*Source: Department of Human Services*

The service officers and social workers developed strong cross-service relationships through participation in community events and meetings with other service providers. Relationships were developed with government agencies (DAFF, DAFWA, Centrelink and Landcare), non-government agencies (Rural Financial Counsellors, Western Australian Council of Social Services, Beyond Blue, Operation Farm Break and Relationships Australia) and agribusiness service providers (accountants, rural bank managers and farm advisers).

Most referrals (Table 6.3) by service officers and social workers were to the Farm Family Support initiative. There were also referrals to financial services and rural financial counsellors.

Table 6.3: Rural Support Initiative referrals

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Rural Services Officers** | | **Rural Social Workers** | |
| **End Year One** | **Total Pilot** | **End Year One** | **Total Pilot** |
| Financial Services Providers | 143 | 230 | 11 | 52 |
| Rural Financial Counsellors | 200 | 498 | 52 | 142 |
| Educational Providers | 36 | 122 | 10 | 52 |
| Industry Bodies | 84 | 177 | 11 | 29 |
| Local/State and Commonwealth Govt. agencies | 200 | 374 | 67 | 170 |
| Rural and Regional Family Support Services | 63 | 116 | 68 | 195 |
| Farm Family Support Initiative | 952 | 1 266 | 127 | 280 |
| **TOTAL** | **1 678** | **2 783** | **347** | **920** |

*Source: Department of Human Services*

Demand for service officers and social workers to speak at community meetings peaked at the start of the first year with approximately 20 per cent of the year’s community meetings being held in the first six months of the pilot. In the second year, demand was sustained at a lower level over several months, which coincided with a later roll-out of Phase Two of the farm planning courses. Demand for service officers and social workers to participate in various community and other events varied according to the season and location.

### Australian Government Mobile Office

The Australian Government Mobile Office (Mobile Office) delivered information on Australian Government programs and services for three periods during the pilot. This service was primarily for customers in areas of the pilot region not serviced by a local DHS Service Centre. Service officers and social workers also assisted with the delivery of the Mobile Office services when it was present in the region.

It was anticipated the Mobile Office would be present for at least one month during the first and second years of the pilot. For the first year of the pilot, the Mobile Office visited the region twice: from 9 August 2010 to 23 September 2010, it visited 26 towns and serviced 1424 customers; and from 21 December 2010 to 13 January 2011, it visited 12 communities and serviced 633 customers.

The Mobile Office made one visit in the second year of the pilot, from 18 July 2011 to 9 September 2011, visiting 40 towns and servicing 1401 customers.

Overall, the Mobile Office attracted strong interest. The first and third visits during the pilot program were particularly popular. The second visit, over the holiday period from December 2010 to January 2011, was quieter in some towns although higher than anticipated given the holiday season.

The Mobile Office visit to the pilot region during 2011–12 experienced an increased level of joint servicing between partner agencies in the pilot area such as Relationships Australia, Centacare WA and Beyond Farming (run by DAFWA).

The Regional Manager from DAFWA also attended the visit to provide Mobile Office staff with updates on the current situation within specific locations. This was found to be valuable and DAFWA have offered to continue to assist the Mobile Office after the completion of the pilot program.

Regional Development Australia, as part of the Youth Connections program, also joined the Mobile Office for the duration of the pilot. This was a very successful partnership as multiple clients had issues that related to the welfare of their teenage children.

Customer satisfaction survey results indicate that 98 per cent of clients found the Mobile Office services were accessible and efficient. Data is unavailable to address the KPI for client feedback on referrals from the Mobile Office.

The demand for the Mobile Office in WA during the pilot was considerably higher than previous visits when EC had been declared in WA. A total of 3458 customer contacts were made during visits to 78 centres in the pilot region in comparison to a much lower 723 contacts for 44 centres visited in Western Australia during the EC years of 2007–2009.

While it is difficult to determine the reason for such an increase in demand, it may be due to more effective publicity, a broader package of services or greater community willingness to seek assistance.

Conclusion

The Rural Support Initiative aimed to provide social support services that were more accessible, coordinated, integrated and efficientin meeting the needs of clients in rural and remote areas.

The program enabled social support services to be more accessible through service officers and social worker home visits, seminars and attendance at community events, and also through the visits from the Mobile Office. There was high demand for the service officers, social workers and the Mobile Office throughout the pilot. The demand for the Mobile Office was higher during the pilot than previous visits, even during EC declarations. This indicates the service was addressing a shortage in social support services in rural and remote areas and supports the Drought Pilot Review Panel’s review findings that there is unmet demand for social support services in rural and regional areas.

Overall feedback to the service officers was positive for the outreach services provided by the program. Most clients commented they would not have been able to access such services without the program.

The initiative was well coordinated, utilising the coordinator to support linkages between the service officers, social workers and other service providers.

Coordination and cooperation between the program staff and other service providers was invaluable in addressing the broad range of client needs.

Service officers and social workers organised home visits together (where possible) and the timing for the Mobile Office was coordinated with service officers, social workers, local service providers and government agencies.

The initiative supported an integrated approach to social support services by enabling information transfer on other pilot measures, networking and referrals.The use of referrals to other service providers indicated effective cross-service liaison.Furthermore, synergies between the various pilot programs became more apparent as the pilot progressed.

The Drought Pilot Review Panel’s review recognised that the provision of outreach services, while relatively resource intensive, provided a significant and necessary social support service to rural and remote regions. This measure was effective in addressing Recommendation 31 in the National Review of Drought Policy Report as many clients reported the outreach visits helped overcome the common concern of experiencing social stigma from receiving government assistance.

# Farm Social Support — Online Counselling for Rural Young Australians

The Online Counselling for Rural Young Australians initiative provided online mental health services designed to be more accessible, coordinated, integrated and efficient in meeting the mental health needs of young Australians in rural and remote areas. Young people could access online chat, phone or email to speak with qualified youth mental health professionals.

The initiative remains available as an ongoing, nationwide initiative called *eheadspace*.

The *eheadspace* initiativeemploys experienced and qualified clinicians and allied health professionals, including a mix of psychologists, social workers, youth workers, mental health nurses, drug and alcohol workers, occupational therapists, and Aboriginal and Torres Strait Islander health workers and mental health workers.

The program was funded by the Australian Government Department of Health and Ageing and delivered by headspace, the National Youth Mental Health Foundation. The service provided confidential, free and professional online counselling and information for young people in rural areas. The *eheadspace* initiative continues to provide these services nationally.

Snapshot against key performance indicators

|  |  |  |
| --- | --- | --- |
|  | **2010–11** | **2011–12** |
| Service available for 95% of scheduled hours | Achieved | Achieved |
| 80% of registered users in target age group | Achieved (88%) | Achieved (87%) |
| People in pilot region were aware of and could access service | Year one promotion largely focused on establishing referral pathways with professionals in the region and at conferences | Achieved  A customer satisfaction survey found high levels of overall satisfaction with the service |
| Crisis care provided to clients as needed | Achieved | Achieved |

Expenditure

During 2010–11 the initiative was funded under the WA Pilot. From 1 July 2011, Online Counselling for Rural Young Australians was funded and promoted as a national service. Phone counselling was also added to the service at this time. The national program, *eheadspace*, has received $9 million in funding over three years to 30 June 2014.

Table 7.1: Online counselling expenditure to 30 June 2012

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *Australian Government funding* | **2009–10** | | **2010–11** | | **2011–12** | |
| **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended ($m)** |
| DoHA Departmental | 0.000 | 0.000 | 0.078 | 0.078 | 0.000\* | 0.000\* |
| DoHA Administered | 0.000 | 0.000 | 0.777 | 0.777 | 0.000\* | 0.000\* |
| **TOTAL** | **0.000** | **0.000** | **0.855** | **0.855** | **0.000\*** | **0.000\*** |

*\*This program is funded nationally and is not included in the WA Pilot budget*

*Note: In 2011–12, $0.031 million was expended by DAFF across all Farm Social Support Programs*

Key issues and findings

The pilot provided useful lessons for ways to effectively deliver and promote online services among young people in rural and remote areas. The strong uptake of the service in rural areas nationally has led to Australian Government funding for a further three years, to 30 June 2014.

There was considerable activity throughout the pilot to increase awareness and interest in the service amongst young people in the pilot region. These activities were carried out by the service provider (*eheadspace*) and other service providers involved in the Farm Social Support program.

There was a modest increase in uptake by young people in the pilot region. At the end of the first year, pilot service users totalled approximately three per cent of users nationwide. The proportion increased to over nine per cent in the second year of the pilot. This data includes uptake from major population centres of the state, including Perth, and it was noted that the young people using the services from WA in 2011–12 were predominantly from the expanded pilot region. Table 7.2 shows quarterly uptake for the life of the program.

Table 7.2: Quarterly report of number of service users in the pilot region and nationally

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | July to September | October to December | January to March | April to June | Total |
| 2010–2011 | Pilot region | 6 | 10 | 14 | 7 | 37 |
| National | 52 | 191 | 455 | 406 | 1 104 |
| 2011–2012 | Pilot region | 38 | 76 | 150 | 211 | 403 |
| National | 348 | 935 | 1 405 | 2 149 | 4 157 |

*Data source: Department of Health & Ageing*

During the second quarter of 2011–12 there was a significant increase in the use of the online service nationally (from 348 to 935). This increasing demand resulted in some young people being asked to wait or return at another time. As a result, management strategies were implemented to address this issue, so that young people were able to continue to receive assistance.

The service aimed to target people aged between 12 and 25 years. In both years of the pilot, the KPI of reaching 80 per cent of users within the target age range was exceeded. The first year achieved 88 per cent within the target group and 87 per cent was achieved in the second year.

Feedback found that some young people in remote areas did not have access to a computer or telephone to contact *eheadspace*. This appeared to relate particularly to very isolated and at-risk young people with complex needs; for example, remotely located Indigenous young people whom even extensive outreach services struggle to engage.

Continued access to a computer and the internet was crucial given the focus of the service was online and required it to be available with no or very little ‘down time’. The KPI which required the service be available for 95 per cent of the time was achieved. For the first year, there were approximately 19 minor computer difficulties, such as power outages and screen freezes, but almost all of these occurred for less than five minutes.

There was one case where the online service was interrupted for 30 minutes while a young person was in the middle of a web chat session. Face-to-face services were notified of the risk issues associated in this case and the young person continued the web chat when the service was back up.

In the second year of the pilot, the service had approximately 13 hours and 15 minutes of planned down time for the purpose of service integration, occurring at those times when the service was least used.

As demand for the service continued to grow, increasing consideration was given to workload management to ensure the service was accessible and responsive. Strategies included:

* making use of scheduled appointments
* reviewing service use with young people who were contacting regularly, with the aim to ensure the service was goal orientated and provided appropriate support for their clinical needs
* continual review of peak service use times to ensure appropriate staffing levels
* reviewing service configuration to ensure the resources best met the needs of young people.

There were frequent crisis cases among rural young people accessing the service across Australia. In these cases, contact was made by the online service provider with after-hours mental health services, child protection services, police and psychiatrists. Consultations were conducted with, or on behalf of, young people directly with *eheadspace* and the service coordinator or manager on duty at the time. Clients were also referred to numerous other services. All crisis responses were conducted in a timely manner and followed up appropriately.

Networks were continually developed to maximise coordination efforts and develop an integrated approach to providing mental health services. The DHS Mobile office remained in contact with *eheadspace* including a presentation to 50 DHS social work staff to promote the service. Contact with the WA Department of Regional Development and Lands and the Community Resource Network (CRN) representing more than 100 Community Resource Centres was invaluable. Through the CRN, headspace was able to distribute *eheadspace* postcards and posters.

General practitioners, schools, community groups and other mental health service providers were invited to attend and participate in information sessions delivered as part of a promotional trip within the pilot region. The headspace youth reference group provided input into multiple aspects of *eheadspace* service delivery including promotional planning. A member of the youth reference group attended and participated in three of the information sessions in Albany, Mt Barker and Demark.

Conclusion

The Online Counselling for Rural Young Australians initiative aimed to provide online mental health services that were more accessible, coordinated, integrated and efficient in meeting the mental health needs of young Australians in rural and remote areas.

The measure enabled social support services to be more accessible to rural and regional areas with 95 per cent availability of the service through access to internet or phone counselling. The low downtime ensured the measure was accessible at all times.

The number of young people accessing *eheadspace* in WA correlates with the population density statistics. Issues with access to the internet and hardware were identified as a barrier for rural Australians to access the service.

Feedback on the measure was positive, with 63 per cent of respondents claiming their mental health improved because of *eheadspace* either ‘some of the time’ or ‘most of the time’.

Overall the Online Counselling for Rural Young Australians was an effective means of servicing the mental health needs of young Australians. Greater benefits to rural Australians may be realised when the National Broadband Network is well established in rural areas, enabling increased accessibility.

# Farm Social Support—Rural and Regional Family Support Service

The aim of the Rural and Regional Family Support Service was to build stronger social support networks to meet the counselling and other social needs of farming families and rural communities. The program provided services including counselling and crisis support, relationship education and activities that promoted community cohesion, built social networks and improved referral pathways. The services were delivered by teams of professional counsellors, psychologists and community workers.

The program was funded by the Australian Government through the Department of Families, Housing, Community Services and Indigenous Affairs, which was responsible for its administration.

Funding was provided to three community organisations to deliver the Rural and Regional Family Support Service as follows:

* Centacare Family Services—in the Geraldton and the mid-west Gascoyne areas
* Centrecare Inc—in the Esperance and the Eastern Goldfields areas
* Relationships Australia Western Australia Incorporated—in the wheat belt, Esperance and Goldfields areas.

Snapshot against key performance indicators

|  |  |  |
| --- | --- | --- |
|  | **2010–11** | **2011–12** |
| Rural and Regional Family Support Service available for entire pilot period | Achieved | Achieved |
| Demand for Rural and Regional Family Support Service commensurate with previous years (the Family Support Drought Response Team’s initiative) | Achieved  Client numbers exceeded client total for same period in  2009–10 | Achieved  Client numbers exceeded client total for same period in 2010–11 |
| At least 50% of clients serviced via outreach | Achieved\* | Achieved\* |
| Clients found that services were more accessible and efficient | Achieved | Achieved |
| Clients found referrals beneficial | Achieved | Achieved |

*\*The projected number of people assisted was used in determining whether this performance indicator was achieved. See 8.3 Key issues and findings for details on number of people assisted*

Expenditure

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *Australian Government funding* | **2009–10** | | **2010–11** | | **2011–12** | |
| **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended ($m)** |
| FaHCSIA Departmental | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| FaHCSIA Administered | 0.000 | 0.000 | 0.945 | 0.945 | 1.842 | 1.842 |
| **TOTAL** | **0.000** | **0.000** | **0.945** | **0.945** | **1.842** | **1.842** |

Table 8.1: Rural and Regional Family Support Service expenditure to 30 June 2012

*Note: In 2011–12, $0.03 million was expended by DAFF across all Farm Social Support Programs*

Key issues and findings

It was initially estimated that approximately 540 people would access the program in 2010–11. More than four times this number (2293)[[3]](#footnote-3) received support in 2010–11. In 2011–12, client numbers again increased, with 3903 clients.

The number of clients who registered in the first year equalled 529 (23 per cent of the total) with the majority being female (348). A further 1635 (42 per cent of the total) clients registered in the second year with the majority again being female (1027).

The most utilised service was counselling, with 622 sessions in the first year and 1791 in the second year.

Services were roughly evenly split between outreach services to clients’ farms, homes and centres. Outreach services totalled 531 in the first year and 1140 in the second year, and centre based services equalled 504 in the first year and 1299 in the second year. This was followed by phone (97 in the first year and 99 in the second year) and internet (88 reported in the first year only) sessions.

While more than half of the registered clients chose not to state their income, amongst those who did, many were low income earners. In the first year, of those who stated their income, three per cent of clients reported nil income, 23 per cent reported less than $6000 and 31 per cent reported between $6000 and $34 000. For the second year, 57 per cent reported an annual income of less than $25 000.

The needs of the clients differed between the two years of the pilot, with ‘other’, ‘stress’ and ‘dealing with relationship difficulties’ being the most common presenting needs in the first year. ‘Communication issues’, ‘stress’, ‘enhancing a relationship’, ‘isolation’ and ‘dealing with relationship difficulties’ were the most common needs in the second year (Table 8.2).

The initiative proved very successful with strong uptake throughout both years of the pilot. It has not been possible to determine whether demand for services was influenced by the dry season in WA in 2010 or another pre-existing condition. The Drought Pilot Review Panel heard that assistance had “...helped meet previously unrealised demand as well as meet demand arising from the poor seasonal conditions in the pilot region”.

The use of established organisations in the regional centres of the pilot contributed to the success of the initiative as it enabled services to be implemented quickly. A further key contributing factor was service delivery through outreach to people in rural and remote areas who previously would have had difficulty in accessing services. Service providers told the Drought Pilot Review Panel that the new delivery model trialled under the pilot, which placed more emphasis on outreach activities and asked communities about their specific service needs, enabled service providers to reach a broader audience and provide better targeted services to those in need.

Table 8.2: Top 10 presenting needs of registered clients—1 July 2010 to 30 June 2012

|  |  |  |
| --- | --- | --- |
| **Order** | **Presenting Need** | **Number of clients** |
| *1 July 2012–30 June 2011* | | |
| 1 | Other | 185 |
| 2 | Stress | 100 |
| 3 | Dealing with relationship difficulties | 98 |
| 4 | Communication issues | 75 |
| 5 | Financial difficulty | 75 |
| 6 | Grief/loss | 67 |
| 7 | Conflict | 61 |
| 8 | Mental health issues | 59 |
| 9 | Depression | 58 |
| 10 | Parenting | 56 |
| *1 July 2011–30 June 2012* | | |
| 1 | Communication issues | 825 |
| 2 | Stress | 523 |
| 3 | Enhancing a relationship | 456 |
| 4 | Isolation | 405 |
| 5 | Dealing with relationship difficulties | 385 |
| 6 | Parenting | 303 |
| 7 | Anger | 214 |
| 8 | Conflict | 183 |
| 9 | Grief/Loss | 174 |
| 10 | Anxiety | 134 |

*Data source: Department of Families, Housing, Community Services and Indigenous Affairs*

The benefits of outreach services were further reiterated in comments provided by service providers at the completion of the pilot. Service providers indicated long distances and the cost of travel made it difficult for people to access services in regional towns. The provision of outreach services in local areas made services more accessible to those living in remote and isolated areas, particularly men, who responded better to home visits or local events. Holding events in local areas also encouraged people to request further services, including presentations and workshops for both women and men and face-to-face counselling for individuals on a regular basis.

Conclusion

The services have been particularly beneficial for vulnerable and disadvantaged community members due to local availability (where transport is an issue) and the services being free of charge (financial constraints), welcoming, confidential and non-judgmental (fear of loss of face).

Relationships Australia, WA also reported providing much needed clinical supervision and professional development to local community service, government and not-for-profit staff that previously did not have access to such services. Feedback about the benefits for the workers and the communities they served has been overwhelmingly positive.

# Farm Exit Support

The Farm Exit Support program aimed to provide opportunities for farmers with low assets, who were having difficulty adjusting their farm businesses to the challenges of Australia’s variable climate, to make a dignified exit from farming.

On 9 December 2011, DAFF announced that the program was close to being fully subscribed. New applications were to be placed on a register by DHS and assessed in the order of receipt until funding was exhausted.

On 21 March 2012, following advice from DHS, applicants on the register and key stakeholders were advised that the program was very close to full subscription and that there were sufficient claims on hand to see the budget allocation exhausted.

It was announced on 28 March 2012 that the program was fully subscribed and closed to new applications.

Three types of grants were available, subject to funds:

* Farm Exit Support Exit Grant—up to $150 000 for eligible farmers who sold their farm business
* Farm Exit Support Advice and Retraining Grant—up to $10 000 for recipients of the Farm Exit Support Exit Grant for professional advice and retraining
* Farm Exit Support Relocation Grant—up to $10 000 for recipients of the Farm Exit Support Grant to help with relocation expenses and accessing job seeking services after they had sold their farm.

To be eligible to receive a Farm Exit Support Grant, farmers needed to have met several specified eligibility criteria which included: being wholly or partially located in the pilot region, owning the farm for at least five years, selling the farm on commercial terms and at arm’s length, satisfying an assets test and being effectively in control of the farm business.

Once a farmer accepted a Farm Exit Support Grant, they were ineligible to receive support under other programs in the pilot, including participating in the Farm Planning program and receiving Building Farm Businesses grants.

Recipients of the Farm Exit Support Exit Grant were required to give an undertaking not to become an owner or operator of a farm business within five years (based on the date of settlement of sale of the farm).

The program was funded by the Australian Government and delivered by DHS on behalf of DAFF.

Snapshot against key performance indicators

|  | **2010–11** | | **2011–12** | |
| --- | --- | --- | --- | --- |
| 80% of claims assessed within 91 days | Achieved | | Achieved |
| Number of pre-assessments commensurate with EC Exit Package  Compared with the EC Exit Grant, which averaged 139 per year out of 75 800 total farm businesses in all EC regions | 18 pre-assessments lodged out of 6000 total farm businesses in the pilot region | 5 pre-assessments lodged out of 13 000 total farm businesses in the pilot region | | |
|  | | | |
| Number of successful applications commensurate with EC Exit Package  Compared with the EC Exit Grant average per year of 140 grants out of 338 claims (41%) | 5 grants out of 14 claims (36%) | | Achieved  10 grants out of 16 claims (63%) | |
|  | | | |
| Number of advice and retraining grants issued commensurate with EC Exit Package  Compared with the EC Exit Package of 546 advice and training activities over 4 years+ | Nil grants | | 1 grant in Farm Exit Support  Note: 6 further grants paid in  2012–13 financial year before the 30 September 2012 end date | |
|  | | | |
| Number of relocation grants issued commensurate with EC Exit Package  Compared with the EC Exit Package of 118 in over 4 years | Nil grants | | 2 grants paid  Note: 1 further grant paid in  2012–13 financial year before the 30 September 2012 end date | |
|  | | | |
| Exit grant recipients find alternative careers or retire away from the farm | Unable to determine from available data | | | |
| Farms sold through Farm Exit Support process are consolidated | Unable to determine from available data | | | |

+*Describes advice and training activities, and is not reported by person*

Expenditure

Farm Exit Support was a ‘demand driven’ program, with recipients funded according to whether or not they met a range of eligibility criteria. Farm Exit Support was not capped in 2010–11; however funding in 2011–12 was limited to $1.44 million (Table 9.1).

Table 9.1: Farm Exit Support expenditure to 30 June 2012

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| *Australian Government funding* | **2010–11** |  | | **2011–12** | | **2012–13** | |
| **Budgeted ($m)** | | **Expended ($m)** | **Budgeted ($m)** | **Expended ($m)** | **Budgeted ($m)** |
| DAFF Departmental | 0.043 | | 0.043 | 0.000 | 0.000 | 0.000 |
| DAFF Administered | 0.144 | | 0.141 | 1.440 | 1.453 | 0.000 |
| DHS Departmental | 0.000 | | 0.000 | 0.346 | 0.346 | 0.017 |
| **TOTAL** | **0.187** | | **0.184** | **1.786** | **1.799** | **0.017** |

Key issues and findings

At the time of the first pilot progress report in December 2010 there had been low interest in the Farm Exit Support program, largely due to the reduced demand for the purchase of farms during the dry period that WA was experiencing. Based on the long time period required to sell a farm in the prevailing dry conditions, it had been estimated that there would be only one grant paid in the first year.

With the extension of the pilot into 2011–12, exit grants were made available to the expanded south-west area of WA for applicants who sold their farm business between 1 July 2011 and 30 June 2012.

The conditions improved markedly across the state in 2011 and early 2012, with significant rain and improved prices for grain and livestock. The improved conditions led to a revision of the estimated number of grants that would be paid in 2011–12 to 10, and funding was capped accordingly.

Public information advised potential applicants that funds were limited and that the program would close on 30 June 2012 or earlier if funds were fully exhausted before that date.

Part way through the second year it became apparent that program funds were almost fully committed and, on 9 December 2011, it was announced that the program was close to being fully subscribed. New applications were placed on a register and assessed in order of receipt until the program funding was exhausted. The program closed to new applications on 28 March 2012.

The average amount paid for the exit grant was $130 699, with the maximum exit grant of $150 000 reduced according to the value of assets held above $350 000.

There was slow uptake of the Advice and Retraining Grant and the Relocation Grant. As at 31 October 2012, seven exit grant recipients had accessed the advice and retraining funds, and three applicants had sought to utilise the relocation funds. Based on the experience of the Australian Government with the Exceptional Circumstances Exit Grant, it would be expected that more Farm Exit Support applicants would have utilised these funds.

The Drought Pilot Review Panel believed that the low uptake of the Farm Exit Support grant in 2010–11 was partly due to non-monetary issues not being adequately addressed by the program. The panel recommended follow-up surveys of recipients within six to twelve months after the program to determine if farmers who had received the Farm Exit Support Exit Grant were better off.

The program nevertheless provided an opportunity for a limited number of farmers to exit farming with financial support. While the program only funded 10 grants in the second year, there continued to be interest in the program even after its closure was foreshadowed on 9 December 2011. There were 10 new applications in December 2011 and January 2012 and DHS reported that farm consultants, farm planning advisers and other stakeholders continued to refer farmers to the program even after the ‘close to full subscription’ message was announced on 9 December 2011.

The proportion of successful Farm Exit Support applications was greater than that of EC Exit Grants—although the sample is too small for statistical reliability.

There were 14 Farm Exit Support claims and five grants (36 per cent) paid in the first year of the pilot, a further 16 Farm Exit Support claims and 10 grants (63 per cent) were paid in the second year.

Conclusion

The program supported a smooth transition for 15 farm families out of difficult financial circumstances and into a new lifestyle. The extent to which the grant influenced their decision to exit farming is unknown.

It is difficult to assess the extent to which Farm Exit Support contributed to structural adjustment in WA as there is no information available on the future use of the properties that were sold in conjunction with the program and whether there was an increase in productivity at the farm level.

Although the sample size was low, results from follow-up exit surveys may provide some insight into how the program assisted its recipients.

# Beyond Farming

The Beyond Farming program aimed to encourage structural adjustment in the agriculture sector by assisting farmers in determining whether they should exit the industry. This was done by providing opportunities for current farmers to speak with former farmers (who had made the transition to other industries and trained as mentors) about exit experiences, opportunities and options.

Beyond Farming was delivered by the Western Australian Council of Social Services (WACOSS) on behalf of DAFF.

An independent evaluation of the program was conducted by Bluebottle Consulting. The results of this evaluation will be discussed in the conclusion of this chapter.

Snapshot against key performance indicators

|  |  |
| --- | --- |
|  | **2010–2012** |
| All farmers matched according to their needs | Achieved |
| 25 or more farmers participate | Achieved |
| Cost per farmer ≤ $3500 | Achieved |
| All mentors satisfied with their involvement in program | Achieved  Mentors were satisfied and highly committed to the program |
| Program met expectations of most farmers | Achieved |
| Most farmers satisfied with service | Achieved  Informal responses positive and appreciative |
| Most participating farmers report that they are better informed about exit experiences, opportunities and options | Achieved  Very successful in increasing awareness of options |
| Most participating farmers report that assistance helps decision-making about whether or not to exit the industry | Achieved |

*Source: WACOSS supplied data for the two phases combined*

Expenditure

Mentors donated their time to the program and costs for travel and accommodation were reimbursed (Table 10.1).

Table 10.1: Beyond Farming expenditure to 30 June 2012

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *Australian Government funding* | **2009–10** | | **2010–11** | | **2011–12** | |
| **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended**  **($m)** | **Budgeted**  **($m)** | **Expended ($m)** |
| DAFF Departmental | 0.000 | 0.000 | 0.043 | 0.043 | 0.058 | 0.058 |
| DAFF Administered | 0.000 | 0.052 | 0.087 | 0.1262 | 0.252 | 0.2302 |
| DHS Departmental | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **TOTAL** | **0.000** | **0.0521** | **0.130** | **0.169** | **0.310** | **0.288** |

*1 Expenditure in 2009–10 was brought forward from that Budget in 2010–11 and was sourced from other DAFF appropriations*

*2$0.013 paid in 2011–12 Budget*

Key issues and findings

Beyond Farming was a new program and little was known about how farmers and rural communities would respond. The program was modelled on programs such as the Farm and Business Mentors in South Australia and the Australian Government Golden Gurus program, and commenced after consultation with rural industry, government departments and non-government organisations.

Industry and rural community groups were involved in the program through a reference group established by WACOSS. This included the Western Australian Farmers Federation, Pastoralists and Graziers’ Association, Rural Remote and Regional Women’s Network of Western Australia, Country Women’s Association, DAFWA and DAFF. This group guided the program’s development and provided feedback.

The program was promoted through information sessions across the pilot region and contact with other government and non-government service providers, including Relationships Australia, DAFWA, Landcare groups, local services and farm accountants. WACOSS and mentors also visited local services, such as Community Resource Centres, banks, doctors’ surgeries and stores to speak with service providers and to distribute printed materials.

Numerous supporting materials were developed by WACOSS, including a backdrop poster for field days, question and answer sheets, pamphlets and t-shirts. Links were developed with service providers from other pilot programs, at field days, DHS presentations, Farm Planning modules and through ongoing liaison. This helped service providers to refer farmers to services that helped their current situation and farm exit considerations.

There was a mix of communications about the program, including through the broader pilot communications strategy. The program’s newness, the lack of knowledge about it and the sensitivity about farm exit issues may have caused it to take time to become firmly established and trusted. The steady increase in contact with farmers at rural events and reports on mentoring outcomes to date supports this.

Momentum grew as the program progressed and after November 2010 there was a steady increase in mentor and farmer contact. Extension and expansion of the pilot in 2011–12 involved further promotion and a continuing rise in interest.

As at 30 June 2011, there were 30 mentoring discussions at rural community events, and by the end of June 2012, there had been over 106 discussions.

Feedback indicated that the dry season in 2010 affected uptake in the first year. Many farmers said they wanted to see harvest results before considering any assistance they may require.

In September 2011, the Drought Pilot Review Panel found that after one year, there were positive outcomes for farmers, citing that, at 31 May 2011, 14 farmers were matched with mentors. The Drought Pilot Review Panel stated that the program “had potential to address some of the non-monetary reasons why farmers prefer to remain on their farms” and that they “saw merit in the program continuing to allow more time to determine its longer-term impact”.

By February 2012, interest in the program had increased considerably, resulting in further visits to rural events, continued mentoring conversations and finding other ways of disseminating former farmers’ ‘beyond farming’ stories.

WACOSS also responded to increased media interest in the program. On 9 February 2012, the WA Farmers Weekly published a two page article on the program, interviewing industry, mentors and farmers along with the program manager, in conjunction with further radio interviews. WACOSS also recorded former farmer stories onto DVDs for wider dissemination and use in case studies about farm exit.

By 30 June 2012, 30 farmers were matched with mentors (three of which were matched with an additional mentor).

Increased opportunities had been provided for interested farmers to have informal discussions with mentors at rural events, rather than requiring them to phone the provider (WACOSS) and register for mentoring as was required in the first year. This method was preferred, which became apparent after WACOSS and mentors visited rural meetings to promote the program in late 2010. Over 106 on-the-spot, informal mentoring discussions had occurred between mentors and farmers at rural events providing support for farmers’ future decisions about a shift away from farming.

The approach of providing information to farmers on an issue involving significant change and decisions, through people who have made these changes themselves, appeared to be cost-effective, particularly when compared with the costs and numbers assisted through exit grant programs. The cost per farmer for Beyond Farming was approximately $2650, compared to an average payment of $130 699 for the Farm Exit Support grant in 2011–12.

Overall, the response to Beyond Farming by farmers, former farmers, industry groups and communities was positive.

Mentoring was available to a mix of industries in the state, predominantly wheat belt farmers but also pastoralists and horticulturists in northern areas, including farmers from non-English speaking backgrounds.

The interest from former farmers in registering to be volunteer mentors in the program was strong. While the original estimate for mentors was approximately 20–25 current farmers and five former farmers, more than 90 expressions of interest were received. Twenty-seven former farmers from a range of farming areas across the region, diverse farming backgrounds and post-farming experiences were engaged and trained to become mentors and to speak with farmers. Mentors agreed that availability of a similar program would have saved them considerable time and stress in their own exit from farming, particularly when they were younger than retirement age and could move to other employment or set up a business.

Being a volunteer did not deter former farmers from taking on the mentoring role. Mentors were enthusiastic, making numerous rural visits to communities and farms, attending evaluation forums and working together to share ideas and experiences. They approached their role with empathy, understanding and knowledge. There was a strong interest in establishing an ongoing former farmers’ network in WA as a result of the program.

In formal match-ups, it was important to match mentors and farmers from different districts because farmers preferred not to discuss their business issues and decisions ‘too close to home’ where they were known. However, in the informal conversations at rural events, it was often useful for the mentor to be known and respected, giving the mentor more chance of impact. Mentors’ pre-existing links with local rural communities helped informal conversations, for example, the mentor at the Moora Centenary Agricultural Show was a past President of that show’s committee and knew many visitors at the event.

Attention was given to documenting and evaluating informal conversations through written records and feedback from the participating mentors. WACOSS observed that the discussions were in-depth, at length and wide ranging, there was an easy exchange and farmers and mentors parted on friendly terms with the farmer having something on which to reflect. At times, mentors could ask questions that family members would otherwise find difficult to broach or the farmer may not have considered previously.

Feedback from mentors was that conversations were easier at field days, which were well attended, and interaction between matched farmers and mentors continued afterwards. Mentors did not push contact onto the farmers and a number were put on hold to await further queries.

At field days, mentors engaged farmers at displays and discussed the current season, farms, families or local sporting teams, leading to dialogue about available farm assistance programs and which programs might have been of value. Where appropriate, mentors shared post-farming experiences and options.

In nearly all cases, mentoring conversations achieved the program’s objectives and helped participants in their decision-making about whether or not to continue farming and how to plan and implement steps to exit.

WACOSS reported feedback that a number of farmers made the decision to leave the farm when they saw that there can be a life after farming. Discussions mainly focused on the non-monetary inhibitors to farm exit, including succession planning, recognition of skills and experiences, rebuilding after dry seasons in preparation for retirement, and being adamant about not wanting to do anything but farming. Financial pressures after a series of bad seasons, health issues and the cost of putting children through boarding school were also major factors in farmers’ planning. Mentors were able to help farmers gain recognition for prior learning and transfer farm skills sets to new employment and assist them to build up a new business or study. For example, mentors referred a number of farmers to the Rural Skills Australia skills recognition trial, and as a result, a number of the Beyond Farming farmers are now participating.

WACOSS also reported that mentors observed that after farmers had walked away from the conversation, it could well have been the first time that many had acknowledged that they would leave their farm at some point. Feedback obtained through WACOSS on farmers in the program, who had decided to exit farming, showed them entering into a diverse range of activities including study, mining, tourism, business, geology, retirement and succession planning.

Conclusion

The Beyond Farming program was designed to help farmers decide whether to continue farming or to leave the farm and take up other lifestyle options. Trained former farmer mentors, from a wide variety of industries and activities, were matched to interested farmers. They acted as sounding boards, and shared their knowledge and experiences of life after farming.

Independent evaluator, Bluebottle Consulting, stated the following in its final report:

“*Despite the very low numbers of current farmers participating in the program, it has met the original aims of the program as it has: provided opportunities for current farmers to speak with former farmers about exit experiences, opportunities and options; been promoted through other measures in the pilot, including Farm Planning and Farm Family Support; and enabled others to benefit from the considerable skills and knowledge of former farmers (all of the 27 mentors have successfully moved into post-farming careers and are enthusiastic and willing to assist current farmers)”. [[4]](#footnote-4)*

Bluebottle Consulting recommended that the program should be continued but as part of a broader ‘farm transition’ program. It has been looking at programs run in the United States as examples that provide a one-stop source of information and services for farmers who are in transition. The United States service offers a range of assistance packages for:

* beginning farmers seeking their own agricultural operation
* next generation farmers who want to own and manage the family farm
* retiring farmers who are trying to decide what to do with their farm
* farmers relocating from either within or outside of their local region
* farmers who are leaving their farm for another career
* farmers wishing to expand their farm operation, develop new or differing enterprises to complement their existing operation, or convert their assets to a completely new farming venture.

The success of the Beyond Farming program has lead WACOSS to continue its delivery beyond the closure of the Pilot program.

Overall the program was a success. The low number of official mentor/farmer match-ups is compensated by the large number of informal contacts. Both mentors and farmers have provided positive feedback and the mentors have valued the whole process, being genuinely dedicated and enthusiastic with a wealth of knowledge and experience behind them.

# Conclusion

The Western Australian pilot of drought reform measures successfully trialled seven programs. These programs aimed to assist farmers move from a crisis management approach to a risk management approach. The Australian and Western Australian governments committed $65 million and $16 million respectively to the pilot.

The pilot is considered to have been an effective trial of drought reform measures because the results have provided a basis for informing the future of drought programs.

The administrative review of the pilot programs found that a large number (95 per cent) of the key performance indicators across the programs were achieved during the pilot, further reflecting the overall success of the pilot and its programs.

Some leading examples of key performance indicators achieved during the pilot include strong communication, which targeted a large proportion of the pilot population, the provision of more accessible and efficient services and strong interagency liaison.

The pilot was also a successful test of cooperation between private enterprise, non-government organisations and the Australian and state governments and demonstrated that large-scale, cross-jurisdictional programs can be delivered successfully.

1. *Available at:* h*ttp://www.federalfinancialrelations.gov.au/content/npa/environment/drought\_reform/national\_partnership.pdf*  [↑](#footnote-ref-1)
2. *A recipient is defined as the individual who applies for assistance. In approximately 80 per cent of cases, the recipient was a farmer with a partner, which means that approximately 1200 individuasl were assisted by the program.* [↑](#footnote-ref-2)
3. The total numbers of clients counted as having received assistance under the initiative were those who attended one or more sessions. Clients were recorded as being registered or unregistered.

   **Registered clients**: A registered client was a person who gave consent for their demographic data to be entered into the Family Support Program (FSP) Data System. Demographic data included: first name, last name, date of birth, gender, ATSI and CALD information, marital status, education level, income, employment status, presenting need and referral source.

   **Unregistered clients**: An unregistered client was a person who did not consent to their personal demographic information being entered into the FSP Data System.

   [↑](#footnote-ref-3)
4. *Bluebottle Consulting, Beyond Farming Program Final Report, June 2012*. [↑](#footnote-ref-4)