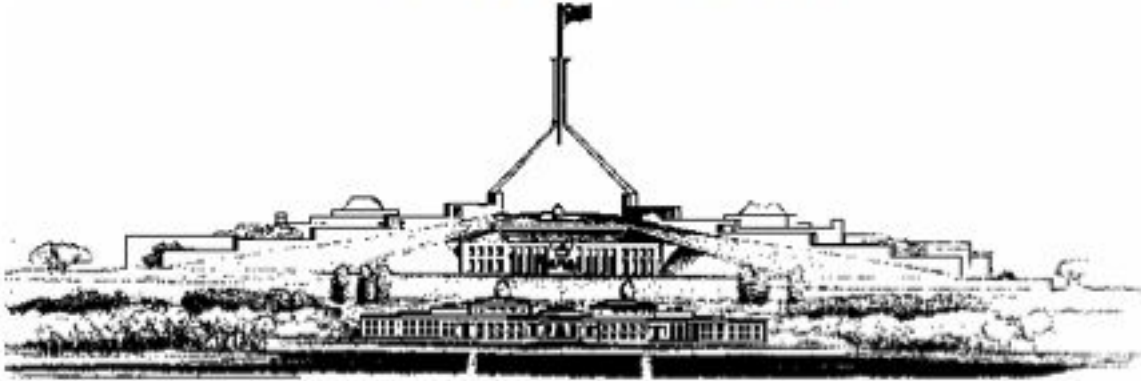




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**Main Committee**

**PRIVATE MEMBERS' BUSINESS**

**Exceptional Circumstances Exit Grants Program**

**SPEECH**

**Monday, 21 November 2011**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Monday, 21 November 2011  
**Page** 13134  
**Questioner**  
**Speaker** Cobb, John, MP

**Source** House  
**Proof** No  
**Responder**  
**Question No.**

**Mr JOHN COBB** (Calare) (19:32): I rise to support the motion moved by the member for Murray and seconded by the member for Mallee. Many farmers only made the hard and very emotionally charged decision to walk away from farming and their whole life up to that point because this program was designed to and did allow them to walk away with some measure of dignity and some idea of where they might go in the future. But instead of helping farmers, as the program was most definitely designed to do, well over a decade ago, the government has just added to their strain and financial stress.

I never cease to be amazed at the ability of this government to stumble over even the most basic government duties and issues—in this case, almost of human rights. In Senate estimates, the statistics provided by the department clearly showed that funding for the exit grants program was going to fall well short of the 12 months if applications and their relative success rate continued at what were then historic levels. Obviously, the Minister for Agriculture, Fisheries and Forestry, Minister Ludwig, knew this, yet he did nothing. The issue at the heart of this problem is not so much that Labor ran out of money as the way they cut off at the knees the farmers that this program was precisely designed to help.

The exit grants guidelines do not provide for the program finishing early, as they require settlement before an application can be lodged. So farmers sold their farms privately or at auction, exchanging contracts and receiving deposits. They then had to wait for the customary two to three months for the settlement date of the contracts before they could apply. These farmers, not through their own fault, did not realise that—while they had made these decisions in good faith, and while many had pre-approval from Centrelink and many had accepted lower than market rates because of eligibility for exit grants—their whole financial future was in such danger. Farmers did not realise that the program that was supposed to last for another 12 months from 1 July until the end of June in this financial year was so dangerously low on funds that, with applications in the system, on the first day the program was extended by 12 months, the funds were already gone.

What warning did Minister Ludwig, the Minister for Agriculture, Fisheries and Forestry, give these farmers? None. He just ruthlessly cut the program on 10 August, stranding those farmers that had sold their farms and had not settled. Not only could these farmers not pull out of the sale of these farms but some had made financial commitments for their future based on program eligibility. Some had put a deposit on a house in town as they strove for a change of life after 10 years of emotionally and financially draining drought only to be totally abandoned by the government after opting to use a program that was designed to help them. This program was designed to help. They made life-reaching decisions on a program that was designed to enable them to do just that. These farmers also missed out on vital retraining grants that were supposed to help them transition to a new life, and that is what happened in Newcastle and Wollongong when they shut down the steel mills. But this did not continue for people who sold their farms in good faith.

Here we have a government that found \$100 million to fix up a stuff-up in live exports when the Gillard government unilaterally shut it down without any understanding of the consequences. Now that same government is too mean and too lousy to find the money to help financially stressed and emotionally distraught farmers left out in the cold. In Victoria alone there are reports of at least 30 farmers who have now been left high and dry, missing out on exit grant funds. Some of these farmers have been stranded simply because another government department held up sale finalisation by not issuing the simple approval of water transfers. The Gillard government is downright lousy. The minister either does not care or is too inefficient to go back to his cabinet and sort out the technicalities that excluded the very farmers this program was set up to help. I implore the government to right the wrong and to support the farmers who have been abandoned in this fiasco.