Future Drought Fund – draft Drought Resilience Funding Plan 2020 to 2024

Submission
December 2019
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Summary of recommendations

The following key principles underpin the Local Government Association of South Australia (LGASA) considerations in relation to local government’s approach to drought in South Australia;

A. Local government is the closest sphere of government to the community and as such can provide unique and unparallelled advice and insights into the community that can be important in driving economic development, providing community leadership and developing solutions that best reflect community needs.

B. Connectivity is central to overcoming the unique geographical barriers of regional South Australia. Investment in infrastructure to improve roads, mobile phone blackspots, waste collection and resource recovery is necessary to overcome the tyranny of distance, lack of scale, skill and healthcare shortages that deters investment, innovators and entrepreneurs from regional South Australia that are central to building diverse and resilient economies and communities.

The LGASA, in keeping with the above key principles, makes the following recommendations in relation to the Department of Agriculture’s draft Drought Resilience Funding Plan 2020 to 2024 (the Plan);

1. Climate change considerations continue to feature in Australian, State and local government policy that endeavour to enhance the public good.

2. That the Plan ensures fair allocation of funds between states and territories, particularly to ensure projects involving smaller regional communities are not overlooked in favour of projects involving large regional centres.

3. That the Plan clarifies “…deliver significant benefits that can be accessed or shared by many…” to mean in the context of the specific community/communities the project is aimed at. This will enable smaller regional South Australian communities to enhance the public good through building drought resilience access to the Fund and its opportunities.

4. That the plan provides consideration for the necessary additional support required for communities currently in-drought to enable them equal opportunity to access the Fund.

5. That the Plan acknowledges the links between drought resilience and disaster resilience and provides commentary around the links to the National Disaster Risk Reduction Framework.

6. That the Plan requires engagement with relevant councils so they can provide comments, unique community-based insights into project proposals and opportunities for collaboration can be explored.

7. That the Plan provides a certain level of flexibility to limit perverse outcomes and to support projects and endeavours that provide for secondary or dual outcomes of both enhancing the public good through building drought resilience and providing positive in-drought assistance and support.

8. That the plan considers the accessibility to healthcare as a central factor in building drought resilience.

Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 12 at (2).
Introduction

About the Local Government Association of South Australia

The Local Government Association of South Australia (LGASA) is the voice of local government in South Australia, representing all 68 individual councils across the state and the Anangu Pitjantjatjara Yankunytjatjara.

The LGASA is established through the South Australian Local Government Act 1999 and is recognised in 29 other South Australian Acts of Parliament. The LGASA provides leadership, support, representation and advocacy relevant to the needs of our member councils.

The LGASA is a strong advocate for policies that achieve better outcomes for councils and the communities they represent. Councils are a partner in government and, with appropriate funding and partnership opportunities, can enhance the public good by improving drought resilience in regional South Australian communities. As such, the LGASA welcomes the opportunity to respond to the Drought Resilience Funding Plan Consultation draft (the Plan).

This submission has been informed by consultation with our membership, existing policy positions, advocacy initiatives developed through previous consultation with our membership and through roundtable discussions facilitated by the Australian Government.

South Australian Region Organisation of Councils

The South Australian Region Organisation of Councils (SAROC) Committee is formally established through the LGASA’s Constitution. SAROC represents the collective voice of South Australia’s regional councils.

SAROC plays an important role in regional advocacy, policy initiation and review, leadership engagement and capacity building in the regions. As such, SAROC has undertaken significant endeavors and advocacy efforts on behalf of regional South Australia in relation to drought.

SAROC Chairperson, Mayor Erika Vickery, has recently written to the Hon. David Littleproud MP, Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management, raising SAROC’s concerns with the ongoing impacts of the drought in South Australia and issues of equity and clarity around the decision-making process for Federal Funding through the Drought Communities Program and any future Drought Community Support initiatives programmes in South Australia.
Background

Local government’s role in drought support, regional development and drought policy development process

Local government plays an important role in supporting drought assistance programs through organised delivery of programs and preparing and building resilience of regional communities.

The Plan’s overarching aim and references to climate change aligns with LGASA policy endeavours that recognise the impacts that a changing climate will have on primary production and the need to develop adaptation actions that will build resilience into future activities and operations.\(^2\)

LGASA recognises the opportunities this Plan presents to regional South Australian communities.

The total value of agricultural commodities produced in South Australia in 2017-18 was almost $6.6 billion which equates to around 11% of the national total agriculture revenue in 2017-18.\(^3\) The LGASA recognises this important contribution to the South Australian and Australian economies.

South Australian regional communities are resilient and experienced in managing dry conditions short-term where:

“River Murray horticulturalists are leaders in irrigation efficiency, the grain sector is entirely rain-fed with minimal inputs and a large portion of the state’s livestock is bred and raised in the Outback pastoral region.”\(^4\)

The LGASA submission to *Developing a Commonwealth Strategy for Drought Preparedness and Resilience* (February 2019) considered that “drought should be considered as an enduring, regular feature of the Australian landscape”\(^5\) while also acknowledging that Australia’s weather and climate continues to change in response to a warming global climate.\(^6\) This warming has “seen an increase in the frequency of extreme heat events and increased the severity of drought conditions during periods of below-average rainfall.”\(^7\)

LGASA advocates for greater State and Federal funding initiatives that will assist local governments and their communities to mitigate and adapt to the effects of climate change and welcomes the references to climate change within the draft Plan.

All three spheres of government have been active in seeking to respond to the challenges faced by communities as a result of drought and, given local government is the level of government closest to the community, the LGASA has sought to ensure that the sector has a strong voice in these discussions. For example, the LGASA is a member of the Primary Industries SA, SA Dry Conditions Working Group.

Recommendation

1. Climate change considerations continue to feature in Australian, State and local government policy that endeavour to enhance the public good.

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\(^2\) LGASA, Policy Manual (ECM 664873) Economic Development: Regional Economies, 2.3.7
\(^4\) South Australian Primary Industries Drought Resilience Program, SA Dry Conditions Working Group Future Drought Fund Submission (ECM 692390) page 3.
Local government and the Future Drought Fund

The vision of the Future Drought Fund (Fund) to develop an “innovative and profitable farming sector, a sustainable natural environment and adaptable rural communities – all with increased resilience to the impacts of drought” aligns with the LGASA strategic policy positions.

The LGASA welcomes the opportunity the Fund and Plan provides to build resilient regional communities through strategic partnerships and investments.

The Plan’s strategic priorities, with accompanying objectives (below Table 1), align with the SA Dry Conditions Working group’s proposed resilience program. The proposed resilience program aims to enhance South Australia’s capability for agricultural growth by building the capacity of farmers, rural communities and farming sectors to effectively cope with or recover from current and future challenges.

The key components the proposed program seeks to deliver are:

- improving financial literacy and risk management;
- protecting the health and wellbeing of individuals;
- improving the capture and application of weather and climate data; and
- building resilience of the natural resource base to support primary production.

Table 1: draft Drought Resilience Funding Plan Strategic priorities and accompanying objectives

<table>
<thead>
<tr>
<th>Strategic priority</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic resilience for an innovative and profitable</td>
<td>Enhance the public good by building drought resilience by growing the self-reliance and performance (productivity and profitability) of the</td>
</tr>
<tr>
<td>agriculture sector</td>
<td>agricultural sector</td>
</tr>
<tr>
<td>Environmental resilience for sustainable farming</td>
<td>Enhance the public good by building drought resilience by improving the natural resource management of agricultural landscapes</td>
</tr>
<tr>
<td>landscapes</td>
<td></td>
</tr>
<tr>
<td>Social resilience for resourceful and adaptable</td>
<td>Enhance the public good by building drought resilience to maintain and improve the wellbeing and social fabric of rural and regional</td>
</tr>
<tr>
<td>communities</td>
<td>communities</td>
</tr>
</tbody>
</table>

LGASA, Policy Manual (ECM 664873) Managing the Risks of Climate Change, Policy Statement 4.4 policies 4.4.1 and 4.4.2.
Recent South Australian Drought Experience and current climate outlook

On 28 September 2018, the South Australian Primary Industries Minister Tim Whetstone MP made the declaration that South Australia was officially in drought with the Upper Eyre Peninsula, Murray-Mallee, Upper North and the pastoral district perhaps the worst affected areas, reporting significant reduction in crop yields and livestock losses.

The most recent information identifies more than 4,200 farming properties affected by drought and farmers have continued to be impacted, with many regions of South Australia in a similar or worse condition since September 2018.

In 2018-19, Australia experienced the fifth driest financial year on record with the national total rainfall 24% below average. Future climate outlooks indicate below average rainfall in November and December and suggest that dry conditions will be experienced across South Australia until January 2020.

The average temperature in Australia has warmed by 1°C since 1910, leading to an increase in the frequency of extreme heat events. Australia’s weather and climate continues to change in response to a warming global climate. This warming has “seen an increase in the frequency of extreme heat events and increased the severity of drought conditions during periods of below-average rainfall.”

South Australia is projected to experience more hot days and “decreases in rainfall across southern Australia with more time in drought.”

Drought Communities Program (DCP)

The DCP is an in-drought federal government initiative that provides councils with funding to spend on activities of their choosing that mitigate the effects of drought in their local communities.

Listed below (Table 2) are the 32 South Australian councils and regions that were determined to be “in drought” and eligible for funding through the DCP.

A recent SAROC Committee Report identified that almost 250 projects have been completed, started or planned across the eligible South Australian councils.

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9 PIRSA, Drought Affected Areas in South Australia, August 2019 (31/7/2019).
12 Below, n 6 page 2.
13 Above n3, Policy Statement 4.4.
15 Ibid page 3.
Table 2: South Australian Councils in drought and eligible for the Federal Drought Communities Programme

<table>
<thead>
<tr>
<th></th>
<th>Council Name</th>
<th></th>
<th>Council Name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Adelaide Plains</td>
<td>12</td>
<td>Goyder</td>
<td>23</td>
</tr>
<tr>
<td>2</td>
<td>Alexandrina</td>
<td>13</td>
<td>Kangaroo Island</td>
<td>24</td>
</tr>
<tr>
<td>3</td>
<td>Barunga West</td>
<td>14</td>
<td>Karoonda East Murray</td>
<td>25</td>
</tr>
<tr>
<td>4</td>
<td>Berri Barmera</td>
<td>15</td>
<td>Kimba</td>
<td>26</td>
</tr>
<tr>
<td>5</td>
<td>Ceduna</td>
<td>16</td>
<td>Light</td>
<td>27</td>
</tr>
<tr>
<td>6</td>
<td>Clare and Gilbert Valleys</td>
<td>17</td>
<td>Loxton Walkerie</td>
<td>28</td>
</tr>
<tr>
<td>7</td>
<td>Cleve</td>
<td>18</td>
<td>Mid Murray</td>
<td>29</td>
</tr>
<tr>
<td>8</td>
<td>Coorong</td>
<td>19</td>
<td>Mouth Remarkable</td>
<td>30</td>
</tr>
<tr>
<td>9</td>
<td>Copper Coast</td>
<td>20</td>
<td>Murray Bridge</td>
<td>31</td>
</tr>
<tr>
<td>10</td>
<td>Flinders Ranges</td>
<td>21</td>
<td>Northern Areas</td>
<td>32</td>
</tr>
<tr>
<td>11</td>
<td>Franklin Harbour</td>
<td>22</td>
<td>Orroroo/Carrieton</td>
<td></td>
</tr>
</tbody>
</table>
Analysis of the Drought Resilience Funding Plan 2020 to 2024 (the Plan)

Consultation process

The LGASA expresses its disappointment to the Department of Agriculture with the consultation process undertaken in relation to this plan in South Australia. The consultation in South Australia consisted of three sessions, two public sessions in Whyalla and Berri and one 30-minute private stakeholder session (which the LGASA attended). The LGASA notes that other states, like Queensland and NSW had up to seven public consultation sessions scheduled at different regional centres across the state. The consultation provided in South Australia was insufficient in order to comprehensively understand and seek timely feedback from stakeholders.

Further, the consultation process undertaken above, unfortunately aligns with historic barriers experienced by regional South Australian communities. Regional South Australia lacks large regional centres that can be utilised as bases to drive local economies and to share information. Further regional centres can help address resourcing limitations faced by regional councils. The LGASA believes the lack of large regional centres in South Australia is perhaps a contributory factor to the limited consultation with South Australian communities on the Plan.

The lack of regional centres amplifies the common barriers experienced by regional Australian communities namely the, “tyranny of distance, lack of scale and the right skills at the right time to do the right job by the right person.”

The lack of connectivity, through large regional centres and other vital networks can create an additional barrier for regional communities in South Australia to achieve scale, attract investment, innovators, entrepreneurs and, for the purposes of the Plan, enhance the public good by building drought resilience. Noting the difference of regional South Australia to the rest of Australia, and that each regional community itself is unique, drought impacts will be experienced differently by communities. As such, the framework for analysing and measuring projects needs to be flexible and responsive in order to reflect the regional area they are related to.

Recommendations

2. That the Plan ensures fair allocation of funds between states and territories, particularly to ensure projects involving smaller regional communities are not overlooked in favour of projects involving large regional centres.

3. That the Plan clarifies “...deliver significant benefits that can be accessed or shared by many...” \(^{19}\) to mean in the context of the specific community/communities the project is aimed at. This will enable smaller regional South Australian communities to enhance the public good through building drought resilience access to the Fund and its opportunities.

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19 Above n 26.
20 Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 12 at (2).
In-drought communities’ limitations in accessing the Fund

The Fund is “future-focused with an emphasis on helping Australian farmers and communities to become more prepared for-and resilient to-the effects of drought, and to adapt to changing conditions.” The LGASA acknowledges the importance of building regional community resilience through future planning to build economic, environmental and social resilience.

This paper offers (above) comments around the additional barriers experienced by regional South Australia as a result of having fewer regional centres and resulting resourcing limitations. Additionally, it is well documented that regional councils in South Australia, and Australia, experience different barriers and limitations compared to metropolitan councils.

As demonstrated above in Table 2, 68% of regional council areas in South Australia are deemed by the Australian Government to be “in drought.”

The LGASA highlights that resource limitations for regional councils and communities are compounded when they are in-drought.

In-drought councils and communities dedicate their focus and energies to responding to the current pertinent needs of their community resulting from the negative impacts of drought. This response requires significant council and community resources, leaving limited resources available to plan for future drought resilience. These resource limitations can be another barrier to accessing the Fund and enhancing the public good.

The application process should be well publicised to regional communities and other relevant stakeholders, with the requirements clearly outlined to ensure a streamlined and consistent approach. This will assist communities and councils currently in drought to manage limited resources in order to access this valuable opportunity.

The LGASA notes the South Australian communities currently in drought are likely to be the ones who benefit from the opportunities the Fund presents in the future.

Recommendation

4. That the plan provides consideration for the necessary additional support required for communities currently in-drought to enable them equal opportunity to access the Fund.

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21 Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 3.
Project coordination with local government

The LGASA notes that disbursement from the Fund will “not duplicate or replace existing Commonwealth or state government funding programs, but will aim to improve the coordination of existing Australian and state government policies, frameworks and programs.”24

As mentioned earlier in this paper, all levels of government have undertaken significant drought related activities in communities. The LGASA notes that all levels of government working in partnership is necessary to successfully achieve the aim of the Fund.25 Further South Australian councils have undertaken significant emergency management and disaster risk reduction initiatives, of which prolonged drought considerations.26

The LGASA notes that there are strong links between the actions that build drought resilience and the actions that build disaster resilience (and visa-versa).27

In order to ensure all projects undertaken under this Plan are not developed in isolation of other strategically relevant initiatives, local government should be consulted and engaged with in the decision-making process for Fund distribution, relevant to their community. A collaborative model of engagement will help to achieve the above aim of the Plan and the overall aim of the Fund, but it will also maximise the benefits of projects the Fund invests in.

Local government may be able to provide additional insights not previously considered by the proposed project or be able to draw parallels to other initiatives being undertaken of relevance that enhance the public good.

Further, as the level of government closest to communities, local government has a unique understanding of the needs and aspirations of South Australian communities. A high level of community satisfaction and trust in local government means that councils are the ideal partner for local delivery of Australian and State Government programs, subject to adequate resourcing and secure funding agreements (as addressed above).

The LGASA notes that “Disbursement from the Fund will not provide in-drought assistance”.28 There are limitations with this principle where, for example, proposed projects or initiatives may require some form of in-drought support to achieve the project’s future aim, or in the alternative, where the primary focus of the project is building future drought resilience but it has a secondary consequence of providing in-drought assistance.

An example of this, is in considering water requirements required to execute a project. Lack of water availability is, and is likely to continue to be, a barrier to regional South Australian communities (both in-drought and not in-drought) to accessing Australian and State Government funding and to the successful execution of projects and initiatives.

Enabling local government contribution in the project assessment may result in identifying these kinds of issues and help avoid perverse outcomes from projects.

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24 Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 12 at (5).
28 Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 12 at (3).
Further, to enable the proposed project’s action there may be opportunities for local government to collaborate to enact complimentary projects and endeavours that support the proposals. This could be highly relevant where actions deemed to be “in-drought assistance” need to be undertaken to ensure project success.

**Recommendations**

5. That the Plan acknowledges the links between drought resilience and disaster resilience and provides commentary around the links to the National Disaster Risk Reduction Framework.

6. That the Plan requires engagement with relevant local government so they can provide comments, unique community-based insights into project proposals and opportunities for collaboration can be explored.

7. That the Plan provides a certain level of flexibility to limit perverse outcomes and to support projects and endeavours that provide for secondary or dual outcomes of both enhancing the public good through building drought resilience and providing positive in-drought assistance and support.

**Recognising the impacts on drought – beyond the farmers**

Regional South Australian communities are “vulnerable to the socio-economic impacts of drought because they rely on primary production and water-intensive industries”.29

The Plan’s recognition that drought has adverse impacts for communities and society as a whole, extending beyond just “the farmers”30 is welcomed. The LGASA recognises that “happier, healthier communities are more resilient and productive.”31 Drought impacts an entire community and future drought resilience needs to be built into schools, healthcare systems, main streets and sporting clubs (to name a few examples). Further, drought can impact on other areas of agriculture not affected by drought that can result in an increase of fodder and grain prices.

**Drought and its impact on community health**

On average, compared to people living in metropolitan areas, Australians living in rural areas have shorter lives, higher levels of disease and injury and poorer access to and use of health services.32 South Australia’s geography and its dispersed population presents a particular challenge to the supply of health services and the recruitment and retention of health professionals.33

The LGASA supports the sentiment that “Resilient communities are underpinned by resilient individuals.”34 It is well documented that drought exacerbates personal related stress, community related stress and general psychological distress.35

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30 Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 10.


33 LGASA, LGA Submission – Draft Consultation Rural Medical Workforce Plan September 2019 page 3.

34 South Australian Primary Industries Drought Resilience Program, SA Dry Conditions Working Group Future Drought Fund Submission (ECM 692390) page 2.

It is also noted that the Plan contains significant commentary around “well managed farms”. While the LGASA welcomes endeavours to improve the financial literacy and risk management capabilities of regional South Australia to build drought resilience, the LGASA believes the health of the individual is central to a “well managed farm” and resilient community.

Tragically rural Australian communities are disproportionately afflicted by the phenomenon of suicide. The impact of drought places financial stress on farming families “which can precipitate anxiety, depression, family breakdown, grief and anger.”

Given the current environment, where mental health issues are prevalent in regional communities and there are issues around the accessibility to healthcare, the Plan’s references to “well managed farms” could be deemed as inflammatory, as if the farmers could have done more to mitigate their exposure.

The Australian Government may like to further consider regional health care and the vital role it plays in building community resilience.

Recommendation

8. That the plan considers the accessibility to healthcare as a central factor in building drought resilience.

Conclusion

Local government, as the closest sphere of government to the community, already plays an important role in building community resilience and supporting communities in trying times. Local government in South Australia has the capacity to positively contribute to the opportunities provided for under this Fund and Plan.

Enhancing the public good through building drought resilience, as the Fund and Plan provides for, strongly aligns with numerous local government policy positions and endeavours.

Improving the connectivity of regional South Australia is a necessary requirement in building drought resilience in these communities.

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36 Australian Government Department of Agriculture, Drought Resilience Funding Plan 2020 to 2024 Consultation draft, page 8.
37 LGASA South Australian Region Organisation of Councils Strategic Plan 2019 – 2023 (ECM 671962),
39 Ibid.
40 LGASA, LGA Submission – Draft Consultation Rural Medical Workforce Plan (ECM 686122) September 2019, page 3.