



## **Farmer Financial Assistance Update**

### **Rural Financial Counselling Service - March 2016**

**Drought Concessional Loans:** Drought Concessional Loans are now available to assist farm businesses recover from and prepare for future droughts and return to viability in the longer term. Under the scheme, the Australian Government has provided New South Wales with \$100 million over 2013–14 and 2014–15 and \$30 million over 2015–16 for the provision of Drought Concessional Loans. Funding for 2015-16 may be increased, subject to demand and at the discretion of the Australian Government.

- a maximum loan term of five years
- loan amounts will be up to 50 per cent of total eligible debt to a maximum of \$1 million
- a variable concessional interest rate initially set at 3.05 % from 1<sup>st</sup> Aug 2015
- Interest only for the five year period

<http://www.raa.nsw.gov.au/assistance/drought-concessional-loans>

### **Drought Recovery Concessional Loans**

- loans are for eligible farm businesses for the purposes of planting and restocking
- loan amounts will be up to 50 per cent of total eligible debt to a maximum of \$1 million
- a variable concessional interest rate at **2.71 per cent** from 1<sup>st</sup> August 2015
- maximum ten year loans available with interest only payments for up to five years
  - loans are for eligible farm businesses for the purposes of planting and restocking
  - loan amounts will be up to 50 per cent of total eligible debt to a maximum of \$1 million
  - a variable concessional interest rate initially set at 2.71 per cent
  - maximum ten year loans available with interest only payments for up to five years
  - refinance or repayment required by the end of the loan term
- refinance or repayment required by the end of the loan term

<http://www.raa.nsw.gov.au/assistance/drought-recovery-concessional-loans>

**Farm Innovation Fund Loans:** Concessional loans are now available from the NSW Rural Assistance Authority to assist with drought preparedness, environment, farm infrastructure and natural resources works. Up to 20 year terms, current interest rate is 2.5% which is fixed for the term of the loan. <http://www.raa.nsw.gov.au/assistance/farm-innovation-fund>

**Farm Business Skills** Professional Development Program- NSW Dept. of Primary Industries. The program has \$45 million over 5 years for vocational training and farm business planning. The program will contribute up to 50% of the costs for eligible courses, up to a maximum of \$5,000 for the first person in the business, and a total of \$9,000 for all members of the business over a 5 year period.

<http://www.raa.nsw.gov.au/assistance/professional-development-program>

**Enterprise Action Plans:** Rural Financial Counsellors undertake Enterprise Action Plans for their clients which allow farmers to review their financial position, develop cash flow budgets and projections, analyse the financial and business performance of the farm enterprise, benchmark the farm enterprise against standard farm business financial and operating ratios, develop strategies and options that are appropriate to your farm enterprise's business structure, plan to manage risk including climate risk and identify where you might need to obtain professional advice and other government assistance. The Enterprise Action Plan assists farmers to gain an improved understanding of their circumstances by reviewing their current financial situation and working through their available options.

<http://www.rfcsnsw-northernregion.org/enterprise-action-plan.html>

**Income Support for Farmers:**

**Farm Household Allowance:** The Farm Household Allowance (FHA) will help farmers with their daily living expenses, and is available to farmers Australia wide, **without** the need for a drought declaration. This allowance will be available from 1st July 2014 and provide eligible farmers and their partners up to three years of income support. This payment is equivalent to the Newstart Allowance and is paid fortnightly. Recipients will be supported by case managers as they undertake activities to improve their situation and prepare for the future. The new allowance will replace the Exceptional Circumstances Relief Payment and the Transitional Farm Family Payment. Farmers who have already received the twelve month payment under the Transitional Farm Family Payment, may also be able to apply for FHA.

Dept. Human Service - Drought and Farmer Assistance Hotline 13 23 16

<http://www.humanservices.gov.au/customer/services/centrelink/farm-household-allowance>

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