

## THE AUSTRALIAN

## Wayne Swan unveils \$420m Farm Finance package for indebted farmers

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**FARMERS struggling with debt will be offered concessional loans under a federal government package Treasurer Wayne Swan says will help secure their long-term future.**

The Farm Finance package, which will be officially announced in Townsville this afternoon, will provide \$60 million in loans in each state and the Northern Territory over two years to help farmers across the country restructure their debts.

Extra rural financial counsellors will be hired to work with agricultural businesses, while a tax relief deposit scheme will be overhauled, including raising the off-farm income threshold to \$100,000.

**VIDEO: Loans to help 'smashed' farmers** (<http://video.theaustralian.com.au/2382026654/Federal-loans-to-help-smashed-farmers>)

The assistance package follows a rural finance roundtable held in October last year, convened by Mr Swan, who said he had been concerned to hear how farmers had been hit by the high Australian dollar and depreciating land values.

"These are big issues for our farmers and mean many of our farming businesses find themselves moving towards a negative equity situation," Mr Swan said in a statement today. "The package we will announce today will provide relief to those viable farmers struggling with finance issues and will help secure their long-term future."

Agriculture Minister Joe Ludwig said the high dollar and falling land values had made it hard for viable farmers to manage their debts.

"Farm Finance will help lighten the load for farmers today and strengthen the foundation of Australian agriculture for the future," Senator Ludwig said in a statement. "While there is no silver bullet solution, Farm Finance addresses the critical issues we have heard first hand from farmers in sensible and constructive way."

The federal announcement comes just days after the Western Australian government detailed a \$7.8 million emergency aid package for 400 farmers facing financial ruin in that state's eastern Wheatbelt region.

The WA Farmers Federation welcomed the measures, but complained the package did not address the potential long-term future of the industry.