Drought support for NT farmers on the way

Farmers in the Northern Territory can now apply for an Australian Government drought concessional loan.

Australian Minister for Agriculture, Barnaby Joyce, and Northern Territory Minister for Primary Industry and Fisheries, Willem Westra van Holthe, today announced $10 million in drought concessional loans and encouraged farmers in the NT to apply.

Minister Joyce said he was pleased that eligible NT farm businesses will be able to apply for these loans from today.

“It’s great to see this programme rolled out nationally—especially for farm businesses in the NT who have been battling against drought,” Minister Joyce said.

“Drought concessional loans of up to $1 million or up to 50 per cent of eligible debt, whichever is lower, will be available to eligible farm businesses at an initial rate of four per cent for a five year period.”

To be eligible for drought concessional loans, NT farm businesses must be experiencing a one in 20 year drought event, or a one in 10 year drought event that has caused significant financial impact.

Applicants must submit a valid Bureau of Meteorology ‘Rainfall Deficiency Report’ as part of their application.

Drought concessional loans will be available for either debt restructuring or new lending for drought preparedness and recovery activities.

Minister Joyce said that these drought concessional loans were in addition to other forms of Australian Government support available to NT farmers such as Farm Finance concessional loans and Farm Household Allowance.
Minister Westra van Holthe said the Queensland Rural Adjustment Authority (QRAA) is set to deliver the loans on behalf of the NT.

“Drought concessional loans will allow eligible farm businesses to restructure their existing debt at a lower interest rate,” Minister Westra van Holthe said.

“This will provide critical finance to meet ongoing costs of running a farm business as well as drought recovery and preparedness activities.

“The loans are for a term of five years over which interest only payments are required.

“At the end of the loan period, farm businesses will have the option of refinancing the remaining amount with a commercial lender, or repaying the loan in full.”

Farm businesses are strongly encouraged not to self assess their eligibility for a loan and to contact the NT Department of Primary Industry and Fisheries to find out more about the programme and what is required to apply.

For information on Farm Finance, Farm Household Allowance and other Australian Government farmer assistance measures visit agriculture.gov.au/assistance.