

# TRANSCRIPT

## LEGISLATIVE COUNCIL ENVIRONMENT AND PLANNING COMMITTEE

### Inquiry into the 2022 Flood Event in Victoria

Seymour – Thursday 14 September 2023

#### MEMBERS

Sonja Terpstra – Chair

David Ettershank – Deputy Chair

Ryan Batchelor

Melina Bath

Gaelle Broad

Wendy Lovell

Samantha Ratnam

Rikkie-Lee Tyrrell

Sheena Watt

#### PARTICIPATING MEMBERS

John Berger

Ann-Marie Hermans

Joe McCracken

Evan Mulholland

Rachel Payne

**WITNESSES**

Emma Germano, President, and

Charles Everist, Policy Manager, Victorian Farmers Federation; and

Richard Stecher, Managing Director,

Nick Stecher, and

Andrew Perry, Stecher Agricultural Services.

**The CHAIR:** I declare open the committee's public hearing for the Inquiry into the 2022 Flood Event in Victoria. This public hearing is for the Environment and Planning Committee, an all-party committee of the Parliament looking into the October flood event. We will be providing a report to Parliament which will include recommendations to the government. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the Aboriginal peoples, the traditional custodians of the various lands we are gathered on today, and paying my respects to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee. I welcome any members of the public in the gallery and remind those in the room to please be respectful of proceedings and to remain silent at all times.

For those of you giving evidence today, all evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and provisions of the Legislative Council standing orders. Therefore the information you provide during the hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

At this juncture I will take the opportunity to introduce myself, and committee members will also introduce themselves to you. My name is Sonja Terpstra. I am the Chair of the Environment and Planning Committee, and I am a Member for the North-Eastern Metropolitan Region.

**Gaëlle BROAD:** Hi, I am Gaëlle Broad, Member for Northern Victoria.

**Wendy LOVELL:** Wendy Lovell, Member for Northern Victoria.

**Rikkie-Lee TYRRELL:** Rikkie-Lee Tyrrell, Member for Northern Victoria.

**Samantha RATNAM:** Hi. Samantha Ratnam, Member for Northern Metropolitan.

**Melina BATH:** Melina Bath, Member for Eastern Victoria Region.

**The CHAIR:** With that I will now hand over to you. I think, Emma, you are going to speak, and Richard, you will be speaking as well, I believe. You will have 10 minutes each. I will give you a 2-minute warning as we approach the end of your time. If I could also please get you, when you do speak, to state your name and the organisation you are appearing on behalf of for the Hansard record. Over to you.

**Emma GERMANO:** Good afternoon. Thanks very much for the opportunity to appear before you to discuss what is an event that has had a profound impact on regional Victorians and the agricultural community. I guess we can see by the number of submissions how much of an impact this has had on various members of the community. I might start by saying some of the frustration that we feel straightaway is that often after an event like this happens we have inquiries, we try and investigate what happened and we come up with recommendations to prevent the impact of these events on the community in the future, and what we feel like often and the local farmers feel is that we are re-prosecuting the same recommendations and the same arguments

and trying to point out the same issues that we face as a sector and again as regional Victorians over and over again. Oftentimes we see that a government inevitably fails to take action to prevent the likes of these things happening again and think about the ways that we can reduce or mitigate the impact of these sorts of events.

We talk a lot about climate change. We take a lot of actions as a community in regard to climate change, and if we are going to take that level of action and if we are going to think about in this context then we really need to start moving our focus to ensuring that the community has resilience in the face of these natural disasters, which seem to be coming more frequently and more ferociously each time that they hit. So far in the inquiry you have heard from community members who have told you that it is really important to listen to the community and the people who live alongside the rivers. These people and these communities have seen every flood that has gone before, and these communities ultimately bear the impact and the costs of these sorts of events.

If there is one recommendation that this inquiry can make that will make some difference to how we prepare for floods in the future and that we can hold government to account on, it is to ensure that farmers and rural communities are actively engaged in all preparedness activities. People in regional Victoria are starting to feel isolated and have done for some time, particularly the agricultural community. It does feel like there are two states in Victoria, and it is really important that we actually think about the impact that these events have on the ongoing resilience of communities in the face of future events. It is talked about in our submission and it is acknowledged by emergency managers as a critical part of dealing with disasters that you must listen to the communities that these events impact.

Some of our recommendations centre, yes, on listening to the community and making sure that they are part of every activity. I remember the phone calls that started coming in to the VFF and to me personally as the flood event was unfolding. There was such a sense of frustration. We saw media doorstep announcements of both the Premier and the Prime Minister talking about the impact to the community, and at no point was the farming community or the agricultural industry mentioned as one of the communities that were impacted or one of the groups that were impacted profoundly by this event. When we talk about supporting farmers, listening to farmers and acknowledging the troubles and the tribulations that farmers face when we are talking about natural disaster events, we are actually speaking on behalf of an entire community.

We need to be thinking about how this impacts not just regional communities and their resilience but also food security in this country. Food security is something that we take for granted all of the time, and I am told that I am Chicken Little, saying that the sky is falling in, when I draw the parallel between these events and the threat to food security. But if we fail to think about where our food comes from and the impact of these events on where our food comes from, one day that taking it for granted might be the last time that we have had the opportunity to take it for granted. We know that there were dairy farmers who were struggling to get their cows milked between power outages. We know that those dairy farmers that were struggling to get the cows milked then were struggling to get their milk picked up. There were some farmers weeks after the event that still could not get a milk tanker down their road to pick up the milk from their farms. So it is a real threat to our food security when these things happen and we fail to think about agriculture as a sector of the community that is not just about us and our farms but is supporting Victorians, Australians and people all around the globe.

One of the issues has been the river management and its operations. As the VFF, we represent farmers all across the state, and we know that farmers will have disagreements on all sorts of issues, including how the rivers are managed. I know that there are questions over the management of storages and irrigation infrastructure, and it is important that the government gives clear and unambiguous answers to these questions so that all farmers have certainty around how the system should operate.

We support there being a review of the operating rules of irrigation and flood mitigation infrastructure. We also support government investment into automation of infrastructure and provision and maintenance of gauges. That will help give us the tools to manage events more quickly and in real time. Farmers are resilient folk. We use the word 'resilience' over and over again, but that resilience is predicated on the ability to know what is coming and having the certainty around what it is that they are trying to manage. The more forewarning farmers have of events like these and the more infrastructure is in place to provide that forewarning gives us the tools to manage the events in real time.

What we know is that the Albanese government's attempted changes to the Murray–Darling Basin plan will have terrible impacts for all farmers in northern Victoria. It might be a stretch, but the two things are certainly related to each other. The potential for man-made flooding that will cause more environmental damage than good is a problem that will impact farmers no matter where they are in the Upper Goulburn or the mid-Murray, and it is important that the inquiry consider these as ongoing issues.

Further to that, one of the issues that we are hearing about from farmers at the VFF and everybody across regional Victoria is the state of the roads. The floods caused widespread damage to road infrastructure across the affected regions. The key issues contributing to the vulnerability of our road infrastructure have been the chronic underfunding of their maintenance and their repair. It has led to a backlog of maintenance tasks, leaving roads and drainage systems vulnerable. And when the Victorian government had the chance to utilise Commonwealth dollars to assist these regions with infrastructure repairs, it chose not to take up the funding, and the VFF was bitterly disappointed in this. Ultimately it is farmers and consumers who are going to pay for the costs of this inaction throughout the supply chain, not to mention the risks to human health and the road accidents that we see increasing all of the time.

Our emergency management system does not adequately cater for farm properties, farming businesses or farming communities. Often what we see is this notion of protecting life and property. Life and property on farms are slightly different to the context in urban areas. Life and property in some cases are the lives of your livestock, and property – sometimes the machinery shed has far more value than the farmer's homestead. We do not see that acknowledged in the emergency management responses. We do not see it acknowledged to an adequate level.

I might leave it there. It is safe to say that regional Victorians – and I just want to really stress this point – are feeling forgotten by the government. They certainly feel forgotten by the government when these natural disasters impact us. Communities are left to their own devices, and particularly the farming community being left to their own devices means not having the provision of sandbags to protect their properties because the farmers have been forgotten as people in the community that need to be taken care of. I will stress they deserve to be taken care of as members of the community, like every other Victorian, but they certainly need it to be acknowledged that when they are protecting their farms and their livestock and their crops and their livelihoods, it is actually on behalf of every person who has the pleasure and the blessing to see that food land on their plate. So we ask for that acknowledgement not just on behalf of ourselves but on behalf of everybody in Victoria, Australia and beyond who has the opportunity to utilise our food and fibre that is created in these regions.

**The CHAIR:** Thank you, Emma. Richard.

**Richard STECHER:** Yes. Thank you. Richard Stecher, Managing Director of Stecher Ag, a farmer based in Seymour. I have been a full-time farmer and ag contractor since 2004. My brother Nick, who is here with me, works in finance in Melbourne. We also together have a livestock partnership based here in Seymour. My business – I farm 3000 hectares of crop and employ 12 staff. Last year in that event I lost about 60 per cent of my crop, which equated to about \$2.4 million. We can only insure our crop for fire and hail, no flood damage, so we have got to wear all of that. The way the clean-up grant was distributed was by ABN. That 3000 hectares was spread across 22 properties in nine shires, so I was only eligible for the most part for one grant to clean up all those properties. That is my first point. The second point is that the \$250,000 concessional loan, even though it is at a very low interest rate, I sort of feel probably missed the mark too with the turnover of our farm businesses now. We feel that loan should be probably higher and maybe based even on the cash rate. I am just going to hand over to Nick, and he will talk a bit about our partnership.

**Nick STECHER:** Thanks, Richard. We farm approximately 900 acres in Seymour. We have got a farm in Benalla and a farm in Kinglake, so two out of the three farms that we operate were impacted by the floods. This caused significant damage to capital improvements, pastures and livestock, similar to all the other farms that were impacted. Given the floodwaters reached unprecedented levels, we were left having to swim our cattle to safety – cows and calves, so in that process we lost young stock, not too many; we were pretty lucky with how that played out. But then the indirect impact: after the event, with cattle put in heavily stocked paddocks, we had bulls fighting and other sort of indirect issues which resulted in some large losses of stud bulls. It worked out to be quite expensive. We then had to incur costs of renovating pastures, buying fodder, transporting livestock and agisting stock in New South Wales because we had nowhere for them to go. We could easily quantify the financial impact of the flood well in excess of \$200,000 to \$300,000 for our business.

As Richard mentioned, I work in finance, so I am looking at this from a banker's perspective. I am not here in that capacity today, but from our experience of the Rural Finance loan, the process has been quite opaque and drawn out. We initially expressed interest in that finance in early April, and we are still going backward and forward providing information and are yet to have that put in place. Now, the simple fact is: the incident of the flood increased the level of leverage our business needs to carry, and there is an opportunity for us to replace that debt at a lower cost of capital. So it is obviously appealing. We probably have a reasonable capacity for finance, given just the nature of our business and me working off farm, so I cannot help but sympathise with people who are coming to this from a perspective of financial duress or more vulnerable applicants, which is common with government-backed loans post natural disaster or economic events.

One point that I think is pertinent to raise, having worked for a big bank during a royal commission, is that some of this is eerily similar to banks being found operating outside of responsible lending guidelines, with slow response times, untimely communication and unclear application processes. So it definitely has that feel about it, and I cannot help but think farmers are struggling to access that financing more so than we are. Thank you.

**The CHAIR:** Sorry, you have got 5 minutes left. Are you happy for Andrew to take up your time?

**Nick STECHER:** Yes, absolutely. Thank you.

**The CHAIR:** I just want to make sure I am clear and balanced with every person who is giving evidence – so 5 minutes.

**Andrew PERRY:** My name is Andrew Perry, and I have been asked to speak for 5 minutes on behalf of the farming communities directly below the Eildon Dam down to Yea, the upper mid-Goulburn area, as we are known. I am going to talk you through the phases of our flood.

**Flood watch phase:** our community was living with the flood threat for months in the lead-up to the 13 October event. The rains occurred, and we were heavily flooded by tributary inflows into the Goulburn and a dam release of 34,000 megalitres that occurred under the cover of darkness without warning from any authority – no standard emergency warning system, no VicEmergency app, just water everywhere at first light. Because of our terrain our floods do not creep; they rip, roar and tear.

The bureau warned us to prepare for another event of the same magnitude or worse in the coming week – our traumatised phase. Our emergency response was to boat vulnerable people from their properties. Some could not be reached by the SES as the conditions were too dangerous. Some drove large tractors out of their homes, with neighbours clinging on to front-end loaders for grim death. Groups of volunteer stockmen with great knowledge of the river were organised and used boats to swim over 1000 cattle, sheep and horses from the flooded farms from Thornton to Molesworth. You reckon Seymour had some trouble with the floods? Imagine 1000 bloated, semi-liquefied Angus cattle floating down the main street of Seymour. Think about your public health. We sandbagged and we did what we could to organise fodder and look after our people and stock. We waited.

**Flood watch 2.0 phase:** the water stayed high for five weeks. All we could do was watch. After Christmas the pastures were re-emerging – devastated, weeds everywhere, a total loss in most areas. Hill grazing was smashed by overstocking in sodden conditions because the river flats had to be evacuated. There was no silage; it was all under water. There was very little hay, and what there was was poor quality.

**Flood recovery phase:** exhaustion. The usual – everybody else did it – clean-up, fencing, trees. So many massive paddock trees were lying down in paddocks. The environment was smashed – tracks, grants, animal health, trauma, destocking, finding fodder, pasture renovations and big dollars to spray, till and sow.

Then we went into the flood avoidance phase. This was something new. In the early autumn break there was above-average rainfall – 'Here we go again.' The meetings started, to avoid another flood. In March we started with meetings with the water minister's office, the local member, Goulburn–Murray Water, the shadow water minister, the Goulburn Broken Catchment Management Authority, Goulburn–Murray Water again, the shire, the Murray–Darling Basin Authority – so many emails – AgVic, print media, radio interviews and Goulburn–Murray Water again to avoid another flood.

Flood watch 3.0 phase: on 1 May the irrigation season finishes. The lake is at 93 per cent capacity, and the water harvest begins. This is not looking good. The lake catches a third of its total volume in an average year.

Flood 2.0 phase: in the first week of June it floods again. Trauma 2.0 phase: on average most properties with re-sown pastures lost 10 to 30 per cent of those pastures. That is 10 to 30 per cent of our share of the taxpayer-funded flood recovery works worth \$40 million being washed down the Goulburn River along with a heap of very expensive seed. The cattle went back onto already damaged hills, but this time at the start of winter, not the end of winter. There is frustration at the futility of this man-made flood – serious mental anguish. The price has plummeted. There is no feed. We destock again. Income is devastated again. There are more costs to re-sow and no grants this time.

**The CHAIR:** You have 2 minutes left.

**Andrew PERRY:** The lake is currently at 97.5 per cent capacity, with six weeks of water harvest left to go. We are still on flood watch – 18 months long – and we are exhausted, absolutely exhausted. We came so close to drowning people in their beds that this could have very well been a coronial inquiry. Thank you.

**The CHAIR:** Thank you. All right. We will now hand over to questions. Ms Lovell, we will start with you.

**Wendy LOVELL:** I just want to explore the 34,000 megalitres that were released overnight without any notification and the impact that that had. Obviously you have given us some of that, but why was there no notification? And how much notification do you need?

**Andrew PERRY:** There is no notification because these communities are right at the bottom of the dam wall. What we would need is the ward manager to actually proactively say, ‘Okay, we are in a bit of trouble here. We are going to need to release water for the safety of this dam.’ The first priority for that water manager is the safety of the dam – that is, the structure – and the second is flood mitigation. Do not let anybody tell you otherwise. If you do not believe it, read my submission. It is in there; it is in their guidelines, in black and white.

The infill curve starts in your average year, a wet year and a dry year – it is all the same. So we have this ridiculous infill curve in a wet year that is also in use in a dry year. So rather than adjusting these curves, we just hope that we do not flood, but we have to make sure that that lake is at 100 per cent by 1 October.

**Wendy LOVELL:** So the legislation needs to be amended.

**Andrew PERRY:** It is a problem with the policy. As far as warnings go, sadly there are more than 50 candles on my birthday cake these days, and if you take a birthday cake and you light all those candles and you pass it around your dining table to all your family, at some point, as those candles burn down, someone is going to drop that cake and it is going to wind up on the floor. Someone is going to drop it. That is exactly the same as what it is like trying to get an emergency warning to a flooded community. It goes through so many hands, it is so opaque and it relies on close relationships between organisations that at some point somebody drops the ball – and that is exactly what happened here.

**Wendy LOVELL:** With Loch Garry there are strict operating guidelines: when the river reaches 10.36 metres at Shepparton, 24 hours later they start pulling the bars. Why is there not something like that for Eildon so that they do have some notice?

**Andrew PERRY:** I have no idea. You would have to ask the question of the water manager, but the reality is –

**Wendy LOVELL:** They never get it right at Loch Garry, by the way.

**Andrew PERRY:** the SES commander at Alexandra, a terrific fellow, made a telephone call to the water manager at 5 o’clock on the 13th. It had been raining flat out. Water was coming everywhere. We knew we were in trouble. He makes the telephone call and is told, when he asks about the increasing of releases, ‘No. Steady as she goes, 12,500 megalitres’ – at 5:30 or 5 o’clock in the afternoon. Three hours later, 16,000; first light in the morning, 34,000. So we were actually given a red herring. People ask why the cattle were still out on the paddocks. That is the reason.

**Wendy LOVELL:** Thank you. Emma, you talked about the Albanese government's changes to the Murray–Darling Basin plan. This morning we heard from Jan Beer quite extensively about the Murray–Darling Basin plan and the impact it is having here. Can you just expand on the impacts of these changes and what that will do to our farming community, please?

**Emma GERMANO:** To take it to a really high level and to ensure that we are not taking the gratuitous opportunity to talk about the Murray–Darling Basin plan when we are talking about the October floods, I think what that raises is that we do not have a natural river system the way that we had it before. We irrigate out of that system, we use it to sustain our communities and we use it to grow food, and we have to be always mindful of the balance between the environment and food production. I guess we would be frustrated to even talk about it as if it is a one or the other thing. Farms are part of the environment. That is the nature of the civilisation that we live in now; we have to both acknowledge and take care of the environment all the time, but we are producing food for ourselves. So, very quickly, we are concerned about taking more water out of the consumptive pool for us to be able to grow food, and we have got to be really mindful about talking about how we are doing things for the environment when what we are talking about right now is how we have dams and how we choose to open them or when they spill and the impacts of that, and we are talking about irrigation.

All of these things have to be thought about really holistically because we are managing the river system – it is not just the river system that is managing itself – and if we get the management of the river system wrong, the adverse outcome can be that we have a major impact on our capacity to grow and supply food. That has a major impact on every Australian and beyond, as I have said. When we get the management of that water wrong or the management of that river wrong and the system, we can have adverse outcomes, like flooding properties, that perhaps, with different management, did not need to be flooded. So all of that has to be thought about from a holistic perspective and balanced with what it is that we are trying to achieve.

No farmer is saying that we should not care about the environment. There is not a farmer that I have come across who has said, 'We don't care about the environment.' Every farmer knows that the environment is the immediate area that they do their production on, and beyond that the frustration is when we are being told, or there is a narrative, that it is farms versus the environment or farmers versus climate action. We are not farmers who are versus climate action. We are frustrated, because if climate change is causing these events to be more often and more ferocious, how can we possibly only be talking about how we mitigate climate change by reducing emissions without acknowledging that even if Australia does all of the good work and we reduce our carbon emissions down to zero, we are still living on a planet Earth that we are not the only people making carbon emissions in. If that is to continue, we must have the preparedness in place to deal with it, because if we believe in what we are talking about and what we are aspiring to, then the fact that preparedness for these events and community resilience for these events are not acknowledged and made equally as important as our actions to reduce carbon emissions – then we are in fact just talking ideology. We are talking trends and we are not talking about the real impact that these events create on farmers and the rest of the community.

There is outrage in Melbourne when we are considering whether or not a flood wall should have been built around the Flemington Racecourse. We see the flooding in Maribyrnong create outrage and we say, 'Did we get the planning system right? Should that have been put in place?' People in the cities often forget about where their food comes from, and we should be so thankful that people in the cities have the opportunity to forget about where their food comes from because there has always been an abundance. But this cannot be a death by a thousand cuts. It is harder and harder all the time to be a farmer in Australia. There is all sorts of red tape; there are all sorts of ways that the government is interacting with – and policy decisions of the government interacts with – the farming community and farm production, and we are saying it has to be taken into consideration. It is the last thing that is considered, not the first thing that is considered.

We have to be thinking about food security, and I appreciate a lot of people say that we cannot relate to the notion of a lack of food security, or food insecurity. But every Australian right now is thinking about the impact of putting things into their shopping basket. One-third of all Australians right now are thinking about how to change what they put into their shopping basket so that they can afford it. We do not want to be in a position where food production in Australia has dwindled and it is not held up as something that is so vitally important to our entire community and so vitally important to our national security. We have to get the management of the rivers right, for the environment and for our national security and for our food security, and we seem to leave that part of the conversation till last, just as we are talking about the emergency management responses in Victoria and how these are managed.

Agriculture – as we know, two-thirds of the Victorian landmass is managed by farmers and yet agriculture is only mentioned once in the document, and it talks about the land zone use. Yes, we know that there is agriculture there, and then nowhere else in the document do we talk about how we assist farmers and agriculture. Do not forget about the individual farmers, because you can see the mental health impacts that happen to this community that feel like they are forgotten about and feel like they have to wait for weeks to find out whether or not the government, either state or federal, are going to give them grants. We should not have to be on the radio demanding that the government remembers farmers in these times. It took demanding that the government remember before there was any action taken whatsoever. It should not take a phone call from the VFF to assist a farmer who has been told no, they do not qualify for a grant, and then the VFF steps in and says, ‘Well, hang on, why not? Can you help us work through this so that we can support this person?’ And it is the phone call, not any of the content of the phone call, that actually enables the grant to flow. We should not have farmers wondering whether or not the community is going to step in and help them, because if you live in an urban centre you expect that people are going to turn up – you expect that the SES is going to be there and you expect that the government is going to give you grants. We had announcements around housing grants for people in the urban centres before we even knew whether or not there was going to be assistance to farms. So we are asking to be acknowledged, and not just for us but for the entire community – because that is what we are doing; we are feeding everybody. We do not just do this as a hobby or because it is fun. We do it because it is our business and it is our livelihood and we are failing to acknowledge agriculture as part of the climate change conversation, the emissions reduction conversation, the emergency management conversation and particularly this notion of community resilience. It is the communities that are left by themselves to help themselves when these things go wrong, and we need to think about that preparedness and actually take the community along for the journey and ask the community, ‘What is the best way that your particular community can prepare for an event like this one when it inevitably happens again?’

**The CHAIR:** All right. Just a question for Richard and Nick: in terms of automation of farming practices, do you think that can have a role in perhaps mitigating some of the adverse impacts of major flood events like this? Yes, no – what are your thoughts on that?

**Nick STECHER:** It is probably one for you, I suggest.

**Richard STECHER:** I am not quite sure I understand what you mean.

**The CHAIR:** Automation of farming practices on farm – is there an ability or an opportunity to automate some practices? Can that mitigate some of the impacts of a flood event or not really?

**Richard STECHER:** I would say that, given the labour market that we operate in, most things on a farm that could be automated probably are.

**The CHAIR:** So really what you are saying is automation does not really help when you have a flood event?

**Richard STECHER:** No, I do not think so.

**The CHAIR:** It does not really impact. It is what it is, regardless of whether you have labour there or automation practices.

**Richard STECHER:** It is what it is, yes. So I guess just to resonate with what Andrew said earlier, 34,000 megalitres of water came down. That was a fact. The warning said otherwise, but the fact was that much water came. We prepared based on the knowledge that we had, but the actual outcome was different. So you feel a bit like what was going to happen happened. If we had been told, we could have operated –

**The CHAIR:** Maybe taken some different action or whatever.

**Richard STECHER:** Yes, different action to prepare for it.

**The CHAIR:** For your business but also personally, do you have an emergency plan or have you given pre-thought or pre-planning to what happens in an emergency like this? So for example, the only decision you might have to make in an emergency is, ‘I’m just following my plan,’ and that might be to get out early or relocate cattle or whatever it is. Do you have a plan, and did you have a plan in this event?

**Richard STECHER:** We definitely had a plan, and we executed the plan. I think it probably worked as well as it could. The way the property here at Seymour floods, with a couple of tributaries that actually run through the farm as well as the Goulburn, it makes moving cattle quite difficult and it blocks out being able to move stock from the river flats to the hills by Whiteheads Creek. So when the Goulburn comes up, you are already blocked out. But that is a decision. We were watching every day, and we moved stock to higher ground. Like Andrew said before, with that amount of stock jammed in that much country, you have only got a week, and we had to keep them there for five weeks. So it is something that you do not want to execute too early. You do not want to be too trigger-happy and say, 'Oh, the river's coming up. Move them.' So we had to wait until we knew that it was real, and then we could move.

**The CHAIR:** Yes. So when you say the water was there for five weeks, is that how long it took to recede?

**Richard STECHER:** Yes, entirely.

**The CHAIR:** Did you have to bring in feed for the cattle? What was that like? How did you get around having to navigate those floodwaters?

**Richard STECHER:** Over time we regained some of the land, and then we were able to send cattle out on agistment.

**The CHAIR:** Did you have to get trucks in?

**Richard STECHER:** Yes. We carted stock away to agistment. We bought hay. I think we fed a 12-month hay supply in six weeks or more.

**Nick STECHER:** More than that.

**The CHAIR:** Because there was nothing available on the land, right? It was all gone by then.

**Richard STECHER:** It was jammed into such a small area.

**Nick STECHER:** Then there was significant damage to pastures and everything as a result of that.

**The CHAIR:** Then that is where you have had to spend the money after the event to try and get that back up to standard.

**Nick STECHER:** Yes.

**Richard STECHER:** And it is money that is not forecast in any way. It is an event, and then we have had to do a 10-year pasture budget in one year.

**Nick STECHER:** I think also to answer your question, there would not be many farmers around that do not have some degree of planning around natural disasters. I mean, you do not farm river country and not be prepared for a flood. Our emergency response plan – because our farmer has been in the family for over 50 years, so it has been flooded several times in the past – was formed from previous flood levels, even at their most extreme levels, in how to respond to that. This was way higher. It was just unprecedented.

**The CHAIR:** And do you review those plans as well? Because I think what we are hearing is that this is an event that is very different to any other event. Is your plan an organic thing, where you are going, 'Okay, we've got to keep reviewing what's happening in light of the climactic conditions that we are experiencing'? Is that something you review as part of your ongoing business planning and preparedness – not really?

**Nick STECHER:** Probably now.

**The CHAIR:** Yes, now?

**Nick STECHER:** It would need to be evolving, obviously, yes.

**The CHAIR:** Yes, so to review it, because these events, we are hearing, are going to be coming more often. They are different to each one, but they are more severe in their impact. So that is something that this event has kind of sharpened your mind on?

**Richard STECHER:** Yes, definitely. I came here for the flood inquiry in June, and that day it was announced that there was a 70 per cent chance that we were going to have an El Niño. We sat in here. It rained all night. We had 107 mil of rain, and we flooded again in June.

**Charles EVERIST:** Ms Terpstra, if I could add to that, farmers look at events and think about what they can do better next time all the time. I think the point that needs to be made is that it is for the government to undertake the review, the government to –

**The CHAIR:** Well, no. Sorry. If I could stop you there. My question was about individual preparedness, because it is a theme of this inquiry, relating to the 2022 flood event. That is the question I am interested in: you know, what the processes are. Thank you for your comment, but I just want to make sure you understood the context of the question. I will move on now to Ms Bath. Do you have a question?

**Melina BATH:** Thank you. And thank you very much, VFF and farmers, for all that you do for us. I love a good square meal three times a day. I thank you that I eat good Australian food, and many, at your hands. I just want to give you some, I guess, hope. Enough members in the Legislative Council thought that holding an inquiry and coming to regional Victoria and looking at these issues was really important. That is why we are here, so we can operate within our terms of influence, and we want to create positive outcomes for rural communities, farmers included, and the environment. That was my pitch to you.

You may need to take this on notice. In terms of the VFF, does it have any data on how many farmers have applied for these concessional loans? You know, it is a big topic. And if you have, how many have been successful, how many have been knocked back? To your point, I think, Richard, you talked about the opaqueness of application. So you may not have that detail, but if you had your slate, what would you like to see with this? How could it be improved so that there is faster, more efficient, still accountability?

**Richard STECHER:** I think the due diligence that Rural Finance have done in approving this loan for \$250,000 is so over the top. To give you an example, we put in our loan application, and then probably a month later we heard back. The loan was virtually approved, except there was one thing that they needed. We instantly replied with that and waited another two months for a response, and they came back with four things that they needed. This was getting frustrating. Had a conversation with them, expressed the frustration and went back with the four things to get an email this week with another four things that they need. I said to them, ‘Your bank is able to ring me annually and ask to take my commercial banking interests, but in this instance you seem completely under-resourced and unable to process this loan.’ Like, this is a \$250,000 loan, it is not \$5 million.

**Melina BATH:** And on top of that, you have just said to us that your cost impost to survive the first flood and then the second flood has been huge.

**Richard STECHER:** Huge.

**Melina BATH:** You draw your budget to buy fodder, so you have already spent that money a long time ago.

**Richard STECHER:** A long time ago, yes.

**Melina BATH:** So you need a more straightforward process, whether it be someone to sit down at the time and go through that list and say, ‘Well, what about this question and that question?’ – so an expedition.

**Richard STECHER:** Yes, and I think also that every farming business is different and they range in size, and that is the same with the clean-up grant. There is a huge range in what businesses turn over and how many people they employ and all that, but there is just this one-size-fits-all system and it is sort of irrelevant how big your business is.

**Melina BATH:** So a nuanced loan, or a larger cap?

**Richard STECHER:** A larger loan, and happy to pay a higher interest rate for it – you know, something that resembles more commercial or cash rate in the current environment. But it needs to hit the mark of what we actually need to get these businesses going again, because we will get back on our feet, but it is just a matter of whether it takes us years. I think the other point that is important, which I have brought up a few times, is that – very good at supporting farmers that are hit by drought and fire, but when there is a drought that goes for two or three years, it is these areas, these more high rainfall areas, where our food comes from. And so for us it

is the wet and it is a flood – that is our risk – and it is sort of forgotten. These last 18 months, that is been our drought, and we have had no support. Then, when we are in this phase of high rainfall, it is high input; it is chasing a lot of disease in crops all the time. We have got to put big inputs in to keep going. And then you get an event like this in October that wipes our crops off the table, and we have incurred all that cost.

**Emma GERMANO:** Could just add to that: even in regard to the grants, there was an initial amount of money, which was rather small – I think it was \$10,000, the initial grant funding. Any funding beyond that, you had to show invoice expenditure before you could access the next portion of the grant. So this is not the loan aspect. But in many cases you do not have the cash to spend on the invoices in order to access the grant, and that was a point of frustration for a number of people who called me. You asked whether or not we have the data. We do not have the data on the total number of loans. I guess the data that we unofficially collect is how many people were struggling, because if things go okay they are not calling the VFF; they call us when things are not okay. And to the point that has been raised: months and months of time before you can access a loan means that you are trying to find that financial resource within your own business. Thankfully, I think across the board in Victoria we were on the back of a number of half-good seasons, so people did have some cash reserves, but this could be impacting farmers when they do not have those cash reserves, and then they are – I should not say high and dry, because that is exactly what they were not in this instance.

**Melina BATH:** In deep trouble.

**Emma GERMANO:** That is right.

**Melina BATH:** Thank you. Thanks very much, Emma. Andrew, if I could go to you. Firstly, I want to acknowledge it sounds like a horror movie, really, what you and farmers in your associated area have coped with and are still coping with. I want to acknowledge that because it is very, very challenging. We are going to interview Goulburn–Murray Water – I am a Leongatha girl, so I always go ‘Murray Goulburn’, which is an entirely different entity; they are long gone – and talk to them. What are the things that you would like us to ask them or, I will say, politely challenge them on?

**Andrew PERRY:** Probably the first thing would be to look at their bureaucratic and arrogant approach to their customers. What we must remember is that all of these farmers that were flooded were also Goulburn–Murray Water customers – not all, but pretty much all, whether it be a stock and domestic licence or what have you. Their fixed charges are what actually opens the door of Goulburn–Murray Water. And how do you look after your customers – you release 34,000 megalitres of water on them.

**The CHAIR:** Ms Bath, I am sorry. We have got about 15 minutes left, and there are other members who have questions for you as well.

**Andrew PERRY:** Yes.

**Melina BATH:** Yes, no worries. But if you think of some things that you would like us to ask or challenge in a polite manner, please put them on record and send them in.

**Andrew PERRY:** Will do.

**The CHAIR:** Dr Ratnam.

**Samantha RATNAM:** Thanks very much for being here and your submissions. I have just a couple of questions I want to follow up on: firstly, what has been touched on before with the Rural Finance loan. Emma, you just talked about another grant scheme that was out there for smaller amounts – \$10,000 at a time or \$10,000 before new invoices had to be shown. Are they the only two things that you are aware of? Are there any other kinds of grant or loan schemes that have been made available particularly to farmers or other businesses that have been flood-affected, state or federal or local?

**Emma GERMANO:** No, not to my knowledge. There were the initial grants that came through. I believe that they were Vic government initially. Another point is that there should be some agreement before these events take place as to how the natural disaster is categorised. That is a matter of fact. It should be based on a matter of fact, not a matter of how much advocacy or lobbying the community groups do to the government. And then what we saw, without, again, being gratuitous, was impacted by the fact that we were in a state

election cycle. So I think we had the ear of government in a different way because we were in the middle of an election campaign. But we should not be saying, 'It's a natural disaster category, this'; it should not be the community that is asking for that. Those measurements or those benchmarks should be in place and the agreements between the state and federal governments should be in place well before any event ever happens so that it is not left to the political whim – and it should not be. Whether or not something is a natural disaster and how many people are impacted has nothing to do with the colour of the government of the day, and that is something that would create certainty. So we have been talking about 'How do you manage an emergency plan?' and whatever else. The first thing that we need is the forewarning.

**Samantha RATNAM:** Certainty for what happens in the recovery, right?

**Emma GERMANO:** Forewarning and having that certainty, because the mental anguish happens when you do not know whether or not help is coming. As soon as the government announced that there would be grants made available, it instantly reduced some of the anguish and anxiety that was in the community. So when nothing else is available, creating as much certainty as possible is really, really valuable to the community.

**Samantha RATNAM:** Thank you. That is helpful to know, and it is good for us to map, because in doing this inquiry it will be instructive for future likely disasters. As much as we do not wish them, we are likely to see much more frequent and intense climate disasters, so thinking about how systemically we provide the support for recovery is going to be really important, and it is a point you have made.

**Emma GERMANO:** Just to that point, I think we have to look at what those dollar amounts are, because \$10,000 – when you have to truck all of your cattle somewhere, you are looking at a minimum of \$3000 or \$4000, that is one truck, to get some stock off the property.

**Samantha RATNAM:** That was the standard that was offered, the \$10,000?

**Emma GERMANO:** It was \$10,000 initially.

**Samantha RATNAM:** Thank you for that, and thank you very much, Emma, for the VFF submission. I think it is very thorough and very well laid out. Particularly in terms of recommendations around rapid assessments and thinking about the pace of those assessments, I think they are things we can certainly take on and will need to look at. A technical question – you talked in your submission about the gauges. We have been hearing about the inadequacy or lack of gauges that could have helped with the early warning systems. You have also spoken in your submission about a reduction in the number of gauges over the years. A question: do you know any more about why that might be? Are they really costly, or have we just taken our eye off the ball? Do you have any more background in terms of why that reduction might have occurred?

**Charles EVERIST:** Dr Ratnam, it is a matter of cost, and at the last parliamentary inquiry into the floods in 2011 the VFF put exactly the same view. We are progressively seeing it is harder to understand streamflow data. This is important not just in the context of early warning systems; it is also important in the context of, for instance, how we do irrigation and how water markets operate as well and understanding what water is in the river at any given time and what the purpose is of that water. There is a lot of confusion as to what water might be environmental water or what water might be going to South Australia or what water might be used for irrigation, so being able to have that data in real time – for the public to be able to access that in real time by going onto the internet and seeing what the level of the river is at any given time – is very important and something that the VFF strongly supports.

**Samantha RATNAM:** Thank you.

**The CHAIR:** Ms Tyrrell.

**Rikkie-Lee TYRRELL:** Thank you, Chair. In your submission it says that the VicEmergency app, which either provided too general information that was of no benefit or only focused on urban centres, was detrimental to the rural communities. Would you recommend a separate app for rural communities perhaps, in an emergency, to forewarn?

**Emma GERMANO:** It is certainly not a position that we have contemplated. I would just say that my common sense would say it is probably best that it is housed in an app where the infrastructure is already. We

do not need to go off developing something separately. And also just the messaging around – every Victorian should know that the VicEmergency app can give them the information that they need about whatever is going on and it should cater also to the farm community.

**Rikkie-Lee TYRRELL:** Yes, so like a link that they could click on that is separate and says ‘Rural communities’, because they are in a unique situation compared to that of an urban centre?

**Emma GERMANO:** Yes. It seems to, I think, perhaps operate better from a bushfire perspective than from a flood perspective. It perhaps takes a disaster before we actually start contemplating it, but we think that that early warning information is really important – very difficult if you are at the top end, at the mouth of a dam. But of course, as we know – and to the point that we have been on flood watch for 18 months – you cannot operate your farm as if the flood is coming tomorrow every single day for 18 months, and that is why that information is so valuable and critical for farmers. I am certainly not suggesting that water should be released overnight without anybody knowing about it, but certainly if you are further down the river, those gauges and that information is vitally important, and it needs to be input into the flooding models also.

**Rikkie-Lee TYRRELL:** One more question. Is that all right? You have your finger on the pulse of a lot of farmers. Do you have a proposed list of where you would like to see gauges put in the system?

**Emma GERMANO:** That is a good question.

**Rikkie-Lee TYRRELL:** Would you be able to provide one to the committee on notice?

**The CHAIR:** If you do not have an answer now, you could provide it on notice.

**Charles EVERIST:** No. It is not something we have considered, because there are, just in northern Victoria, a whole bunch of major rivers and the tributaries as well that come off them, so we have not mapped that out. I think the first priority is to make sure of where there are existing gauges or where there were previous gauges, and that information will obviously be known by DEECA. That is the first place to start.

You asked about the VicEmergency app and early warning systems. We held a forum for our members at Rochester a couple of months ago. One of the ideas mooted at that meeting was that Goulburn–Murray Water has the details and information on all its customers and in these types of events there could be a free flow of information between emergency services and Goulburn–Murray Water to make sure that more targeted advice and warnings can be given to those customers. That was an idea that the farmers had mooted and we strongly support.

**Rikkie-Lee TYRRELL:** Thank you, Charles.

**The CHAIR:** Ms Broad.

**Gaelle BROAD:** Thank you very much, and thank you very much for sharing your stories of impact. Prior to being elected I used to work in disaster recovery, so I am familiar with loans and grants and some of the challenges there. We talk about plans. It is very difficult to have a plan when you do not have warnings to sort of trigger things to happen. So I guess there has been discussion that the cost that is in that recovery process sometimes outweighs what is in the mitigation or prevention phase. But I just thought, Emma, maybe if you could speak to levees. What are your thoughts on levees and how they fit into this? We were at Loch Garry last night. Melina and I went and had a look with Tim McCurdy, the Shadow Minister for Water, and there are levee banks there that are completely torn apart. There seems to be a lot of confusion over the hearings as to who maintains them once they are built. What are your thoughts about that?

**Emma GERMANO:** I guess there is probably no confusion from our perspective. We have been told that it is not the government that maintains them, it is the community and it is a user–beneficiary pays model. We are starting to move that way on a lot of different infrastructure across Victoria. We have got farmers who are saying, ‘Are we supposed to get together and crowdfund the maintenance or the repair of the levees?’ When we are considering a levee to protect a town, we think about the cost of that infrastructure being shared across multiple businesses or multiple home owners, but when it comes to levees that are potentially protecting farmland, you have got a small number of farmers who are being asked now to repair the levee. It is either state

infrastructure or it is not, and where it was the state that put them in place in the first instance, they should be maintained by the state. We very much think that that infrastructure must be managed by the state.

To that point, even with roadside drainage, we have got shire councils who do not have the capacity right now. They are flat out trying to repair what roads they can on their little budgets. They also are struggling to maintain the drainage, which also had an impact on a number of farmers. We have to get back to a notion of what critical services should be provided by the government and with taxpayer dollars, because we are in an environment where no-one has got any money, and that is going to exacerbate the lack of preparedness and then the clean-up efforts or recovery efforts.

Let us be very clear: we are still recovering from this event, and that is before the next one happens. To be frank, when the flood came through, we still had communities that were recovering from the bushfires of 2019 and 2020. So it is absolutely vitally important that all of the bureaucratic red tape is removed so that shire councils and their staff have the opportunity to do what they can. Again taking the opportunity to talk about the rating system across Victoria, we are expecting shire councils, or regional shire councils, to fund the maintenance of roadsides, drainage, culverts and that sort of thing on reduced budgets, and the answer has often been to put the rates up. We know that not only are we facing these issues out in regional Victoria, where we have got communities that feel isolated, we know that regional Victorians are paying about twice the amount of rates than our metropolitan counterparts and often have different things that we have to manage, compared to nice nature strips and roundabouts with pansies that we plant every September. We have got roadsides that have not been cleared for many years, up to a decade, and that had a huge impact as well on the fact that roads became flood superhighways where the water was going. That is not only a problem for the crumbling roads, which we have talked about over and over again – those roads were not in good enough nick to manage a flood like this. They have now been completely destroyed, and we have got the roadsides assisting water to flow directly down those roads also. So there does need to be acknowledgement as to how we are going to assist the regional councils to be able to do their part in flood mitigation as well as everybody else in the emergency management response.

**The CHAIR:** Anything else?

**Gaëlle BROAD:** Well, I guess just betterment. I guess that is a topic that has been brought up. What are your views on that?

**Emma GERMANO:** Well, my views are that if we are saying that we are supposed to be preparing for what is coming next, of course we should have betterment. Betterment is not just about natural disasters, it is also about economic growth. It is about making our regional communities more livable and putting that infrastructure in place. We have not even repaired the damage that was done, let alone considered what betterment looks like. We also know that where we think about things like even fencing on a farm – if we think about it from a betterment perspective, we know that we should put swing fencing in when we are in flood-prone areas. Swing fencing that was put in place in the 2011 floods stood up to this flood, and that is fencing that you do not have to repair the next time around. So we should always be thinking not just how we repair what we had, which we have not even come close to yet – the entire road budget that was put forth during the last state budget was not enough to even cover the five regional councils whose roads were the most damaged during this flood event, let alone the rest of the state, as we know. So we have got to have that mentality: how do we get better at doing this so that the dollar spent on prevention is worth \$100 on the cure? And when we get to the point where we have got to do recovery we do not have the money to do it meaningfully. So we are not even repairing to the level that things should have been – and they were not. You asked me my opinion on betterment: it is that there is no betterment, because we cannot even get to where we were before.

**The CHAIR:** All right. Thanks very much for coming in. We have reached the end of our session. We really appreciate your contributions today.

**Witnesses withdrew.**