

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE INQUIRY

On 22 March, 1994, the Standing Committee on Social Issues resolved to adopt Terms of Reference for an Inquiry into Suicide in Rural New South Wales.

The Terms of Reference for the Inquiry are that

The Standing Committee on Social Issues inquire and report on:

- *the extent and nature of suicide in rural New South Wales;*
- *possible causes for the increase in suicides in rural New South Wales;*
- *the provision of relevant services;*
- *strategies for the prevention of such suicides.*

The Inquiry into Suicide in Rural New South Wales was referred to the Committee by the Hon Ian Armstrong, MP, Deputy Premier, Minister for Public Works and Minister for Ports. It originally stemmed from his concern over the marked escalation in the number of suicides, particularly among young males within the specific region bounded by the local governments of Boorowa, Harden, Young, Cootamundra, Temora, Wyalong, Condobolin, Forbes and Parkes. After some preliminary research, most of which is contained in the Committee's Issues Paper, Violence in Society, it was determined that the issue of rural suicides be considered in relation to New South Wales country areas as a whole.

This Report is the result of that Inquiry.

During the Inquiry the Committee received 60 submissions and heard testimony from 88 witnesses. Evidence was taken in Parliament House, Sydney, as well as in Lismore, Young, Parkes, Cobar, Broken Hill, Dubbo and Wagga Wagga. In those country centres some witnesses travelled from outlying and remote regions to give evidence to the Committee. The Committee also received a briefing by way of a teleconference both as a means of hearing from an interstate expert and viewing the technology.

During its hearings, the Committee sought evidence from a range of people. Among them were senior Health Department officers, psychiatrists, psychologists, social workers, academics, rural counsellors, farmers, representatives of rural women's groups, general practitioners, coroners, police officers, school teachers, school students, members of the clergy and numerous community members who had formed local groups and developed local initiatives to address the incidence of suicide and attempted suicide in their regions.

The Committee also heard evidence and received submissions from bereaved parents, spouses and relatives whose child, spouse, sibling or relation had suicided. The willingness of these witnesses in particular to relate their experiences, in spite of their considerable grief and loss, is something for which all Members of the Committee are extremely grateful. Indeed, much of their evidence provided some of the most powerful testimony received by the Committee.

From the outset, this Inquiry presented particular challenges to the Committee. Few studies to date have directly addressed the issue of suicide in Rural New South Wales within such a broad context as that required by our Terms of Reference. Some studies that have examined the issue have essentially done so from local perspectives; that is, they have looked at the experiences of a specific town or region. Other studies have outlined the issue of suicide in general reports relating to the health and welfare of rural communities.

The most extensive study to date has been that undertaken by Dr Michael Dudley, Professor Brent Waters, Mr John Howard and Mr Norman Kelk (1992) who examined suicide trends among young people in urban and rural areas. The preliminary findings of that study will be referred to throughout this Report. Suffice to say at this point, that the authors have found that the incidence of suicide among young people in country regions of New South Wales has increased at significantly higher rates than that among their urban counterparts.

Recently, Associate Professor Burnley published the findings of his study Differential and Spatial Aspects of Suicide Mortality in New South Wales and Sydney, 1980 to 1991 that examined, among other issues, suicide in rural areas of New South Wales and suicide among certain occupational groups including farmers and related workers. That study will also be referred to throughout the Report.

It is beyond doubt that any suicide is a terrible tragedy. For Australia as a whole, that tragedy is clearly borne out by the fact that as a nation we have one of the highest suicide rates among young people in the Western world.

Although it is recognised that suicide is still a relatively rare event in comparison to say, death by cancer (although it is high in comparison to murder),

for the younger age groups which have low levels of mortality, the suicide rate of 16 per 100,000 population, competes with road accidents as the leading cause of death (ABS, 1994:55).

Raphael (1994:3) further notes that

it is nevertheless clear that suicide itself is a major cause of death in Australia and also a major cause of preventable mortality... Differential and rising rates in young males are a cause of great concern and point to the need for research to urgently focus on understanding the aetiology of these rises, and implementing [specific] as well as general prevention measures. Such approaches need however to be set in the context of tackling the problem of suicide for all age groups, and the issues for women as well as men.

1.2 DEFINING "RURAL"

The discussion in the following chapters will describe how rural Australia has undergone considerable change over the last few decades, often resulting in a transformation of the character and needs of many country communities. Thus, some commentators (Rolley and Humphreys, 1993:243, citing Dunleavy, 1982)) maintain, that it is no longer possible to differentiate urban from rural since "economic and social systems characterising rural areas have become remoulded along the same lines as the rest of society."

Nevertheless, the Committee notes that there are fundamental differences which do set rural communities apart from urban centres. It has been observed for instance, that

despite their diversity, the hallmark of rural areas in Australia is typically large distances, inaccessibility, and low population thresholds which operate to constrain human activities and levels of well-being (Rolley and Humphrey 1993:243).

The Committee also notes that, unlike urban areas, a major feature of rural regions is their involvement in, and reliance upon primary production, such as agriculture, mining, forestry and fishing (Epps and Sorensen, 1993:2).

For the purposes of this Inquiry the Committee has defined "rural" to include all areas of New South Wales, **except** the Sydney statistical division (including the Blue Mountains and Gosford), the Newcastle statistical sub-division and the Wollongong statistical sub-division.

1.3 DEFINING "SUICIDE"

According to Shneidman (1985:203), suicide is

a conscious act of self-induced annihilation, best understood as a multidimensional malaise in a needful individual who defines an issue for which suicide is perceived as the best solution.

Kosky *et al.* (1992:97) further observe that

suicidal behaviour can be interpreted as a manifestation of distress associated with loss or abandonment, a release from despair, an expression of hostility or revenge, an appeal for help, a wish to test fate or to be reunited with a loved one, or a response to the disordered thinking of a psychotic illness or drug intoxication.

The "multidimensional" nature of suicide means that attempting to pinpoint an *exact* cause for a suicidal event can become particularly complex. As the Report will demonstrate, there are many issues and factors, often interacting, that can lead a person to suicide.

Following the enactment of the Crimes (Mental Disorder) Amendment Act, 1983, suicide and attempted suicide are now no longer criminal offences in New South Wales. Further, since the introduction of the Coroners Act, 1980,

it is no longer necessary for an inquest to be held in all cases of suicide... Where the inquest is dispensed with the death is classified by the court staff who examine the evidence and decide whether the death is a suicide or some other category of death such as accidental death (NSW Bureau of Crime Statistics and Research, 1990:1).

In his evidence to the Committee, State Coroner, Mr Greg Glass (Evidence, 9 May, 1994) stated that

any death which is an apparent suicide must be reported to the Coroner... [however]... If he comes to the view that there are no suspicious

circumstances, and... [the family]... do not press for an inquiry... he has power to dispense with an inquest.

Evidence presented to the Committee has indicated that some events, such as fatal single occupant motor vehicle accidents, especially those which occur at night and on country roads, and some drug overdoses may in fact be suicides. Because it is often difficult in these instances to conclusively distinguish between suicide and accidental death, it has been suggested that the actual number of suicides reported and recorded may be underestimated.

The Committee has also heard that suicidal behaviour may take an indirect or more subtle form than the obvious instances of deliberate self-harm. Anorexia nervosa, alcohol and other substance abuse, and engaging repeatedly in risk-taking behaviour, have been cited as possible examples of suicidal activities.

Because of the multifaceted nature of suicide the study of suicidal behaviour can cross different disciplines. Sociology, psychiatry and biology can all be relevant in the study of suicide and suicidal behaviour. The influence of the sociological study of suicide has been recognised by Maris (1992:2111) who states that

sociology itself grew out of Emile Durkheim's argument that suicide rates are social facts and reflect variation in social regulation and social interaction.

Freud and later Menniger emphasised the importance of the psychoanalytic approach to the study of suicidal behaviour and argued that all suicides are

based on hate or revenge (a wish to kill); on depression, melancholia or hopelessness (a wish to die); or on guilt or shame (a wish to be killed) (Maris, 1992:2111).

As Dr Michael Dudley (Evidence, 10 February, 1994) told the Committee in his evidence,

suicide is a complex problem... This matter requires a psychiatric analysis but also requires a sociological and cultural analysis... This matter certainly requires that type of analysis in the rural setting.

The Committee notes that, with the differing approaches to the study of suicidal behaviour, there can be debate as to the *source* of many of the factors associated with suicide. Some argue that suicide is essentially a health issue, the major cause being psychiatric illness. Others, however, argue that suicide is a social malaise and has links with such factors as unemployment, poverty and deprivation, family breakdown, violence and substance abuse. According to this latter view, those

issues cause a person to suffer depression, feelings of hopelessness and low self-esteem, and consequently put some at risk of suicide. In a recent article, Professor Brent Waters addressed this issue in relation to young people specifically, and suicide. He argued that

those who espouse a strong psychiatric diagnosis point of view are focusing mainly on the person's emotional state immediately prior to the suicide. Those who have a social science perspective are usually focussing more on how the young person's life had unfolded in the months and years prior to the suicide and what can be done to prevent the same happening to other young people (Waters, 1994:5).

In his evidence to the Committee, Professor Waters (Evidence, 26 April, 1994) further commented that,

I think it is really more a problem with terms than anything else. There is a small proportion of young people [for instance] who kill themselves who have what everyone would agree is a mental illness. They have got schizophrenia or they have got manic depression. They are really in the minority. The studies show very clearly that the vast majority of people who suicide, when you get information from their family... were hopeless, worthless, run down, depressed... Now the whole debate revolves around whether depression is a mental illness, with capital letters, which you treat with drugs and that sort of thing or whether it is a social malaise. But I do not think anyone argues about whether they are depressed... it takes a particular mind set to feel that trapped.

In recognising the multidisciplinary nature of the study of suicide and suicidal behaviour Hassan (1992:14) observes that there needs to be *integration* of data from psychiatry, psychology, biology and sociology to advance society's understanding of this complex problem.

1.4 SCOPE OF THE REPORT

The following discussion will demonstrate that suicide in any community, be it urban or rural, is a complex issue that requires the careful development and implementation of practical and sensitive initiatives and strategies. Initially, Chapter Two will provide a brief overview of the experiences of many rural communities today, including an examination of the effects of rural adjustment, the rural downturn and the drought.

In Chapter Three the Report will present a statistical analysis of suicide rates firstly Australia wide and then in relation to rural areas of New South Wales. Some comparison of suicide rates in rural and urban areas will also be given. The Chapter will also provide data on suicide methods in rural areas.

Chapter Four will examine the factors associated with suicide. In this section the Committee will look at the issue firstly from a mental health perspective and then from a social, economic and cultural perspective. The Chapter will highlight specifically these issues in light of the experiences of rural communities. In presenting all of the issues contained in Chapter Four the Committee will emphasise that no one factor contributes to suicide nor can all suicides *a/ways* be explained simply as resulting *either* from a mental illness *or* from purely social, economic and cultural factors. As Chapter Five will show, further research needs to be developed and resourced to enhance society's understanding of the tragedy of suicide.

Chapter Five will also examine the issue of mental health services in rural areas. Throughout the Report appropriate recommendations will be made that will serve to guide Government policy on the issue of suicide prevention, particularly in rural regions.

The Committee recognises that suicide prevention must be considered at a national level. This issue is examined in Chapters Four and Five. However, it also considers that much can be done at a state level, for rural communities as well as urban centres, to assist in both the reduction of suicide rates and in the minimisation of risk factors.

CHAPTER TWO

A PROFILE OF RURAL COMMUNITIES IN CHANGING ECONOMIC TIMES

2.1 ECONOMIC CHANGES IN THE RURAL SECTOR

In recent decades, rural New South Wales has undergone considerable change, socially, economically, demographically and culturally. Such change is part of a greater trend occurring throughout the Australian rural sector as a whole. According to Sorensen and Epps (1993:30),

the types and proportions of goods and services produced in many localities or towns are rapidly changing. Recreational and residential uses of the countryside are also expanding rapidly in some localities to supplement or displace traditional uses. Some rural areas witness declining production of rural commodities while others experience rapidly expanding output. Other places are quarantined altogether from human interference. As a consequence of these processes, there is a substantial movement of people within rural Australia from less favoured localities to those that offer better employment or quality of life prospects. Many of these changes are bound up with progressive internationalisation of the Australian economy. We are getting to the stage where the future of rural areas depends significantly on the decisions of foreign investors over this, that or the other feedlot, abattoir, mine smelter, holiday resort or golf course.

Farming and agriculture for instance, once considered the "very backbone" of Australia, particularly rural Australia, have undergone a number of fundamental changes. Wilkinson (1994) notes that contributing to these changes is the fact that during the 1950 - 1970 period the position of agriculture in overall world trade began its decline. He observes that agricultural produce had formed 45% of world trade in 1913, falling to 36% by 1953 and 21% by 1973 (Wilkinson, 1994:4-5). The author further highlights that the development and wider use of synthetic fibres had an enormous impact on the Australian wool-growing trade and concludes that

prices, and profits from rural production overall, most of which was exported, began to drop (Wilkinson, 1994:5).

Moreover, the expansion of the role played by other sectors such as manufacturing, financial services and mining significantly impacted upon the importance of the

rural sector in relation to Australia's export earnings. Consequently, as Lawrence and Williams observe, agriculture contributed about 90% of export earnings in 1950 but by 1988 it contributed about 34% (Lawrence and Williams, 1990:39).

Many of the structural changes which have occurred over the last few decades have meant that farming today has become less a way of life and more like any other business (Sorensen and Epps, 1993:30). Rolley and Humphreys note that agriculture has become dominated by agribusiness corporations, resulting in the marginalisation of family farms. The authors argue that,

as agriculture has become streamlined, the rural sector has become less important as an employer. Farmers and farm workers have become displaced, a direct consequence of the application of new technologies... Paralleling these changes, farmers are continually experiencing a cost-price freeze... the prices received by farmers from the sale of their products are growing at a slower rate than the process paid by farmers for the inputs to agriculture [thereby reducing] farm incomes (Rolley and Humphreys, 1993:244).

Lawrence and Williams have further found that agriculture now only employs 5% of the labour force whereas 70% of the labour force is employed in the provision of service. The authors maintain that the number of farmers and farm workers which stood at 477,000 in 1950 has fallen, as at 1989, to 389,000 (Lawrence and Williams, 1990:39).

2.2 THE RURAL DOWNTURN AND THE DROUGHT

The impact of the current rural downturn, or as some commentators would refer to it, the "rural crisis", has both accelerated and compounded the serious impact of these changes on many rural and farming communities. Walmsley (1993:51) notes that talk of a crisis is not new:

there was the 'wheat crisis' in the late 1960s, a 'wool crisis' in the early 1970s, and a 'beef crisis' in the mid-1970s.

However, this crisis is different in that,

severe deterioration in internal markets has coincided with significant socioeconomic restructuring within the rural sector (Walmsley, 1993:51).

Walmsley argues that four factors are behind the current crisis. These are:

- *the agricultural policies of advanced Western countries and the way in which this has distorted commodity prices;*
- *import substitution in many Third World countries and the way in which this has reduced the growth of exports;*
- *the worldwide recession; and*
- *the imposition of high interest rates (Walmsley, 1993:51).*

On top of these factors, **rural areas throughout New South Wales have experienced years of extreme, unrelenting and debilitating drought.** Currently the drought covers 93% of the state of New South Wales and the costs, both economic and social, have been enormous.

The Committee has heard that with this current crisis the situation for many people living in rural areas, including in rural New South Wales, is more difficult than in previous decades. It has been observed that,

the rural community has always had to battle against the elements and other factors, but the current rural crisis has been caused by a unique situation in which all the usual factors are occurring together. Interest rates have been high (sometimes over 20%) for a number of years, commodity prices have fallen dramatically, costs are continually increasing, government funds which previously have been used to provide relief have become tight, and farmers have faced both flood and drought in recent years (Orr, 1992:2).

During the 1990-1991 period, 658 farmers in New South Wales left the land (Wilkinson, 1994:1).

The changes to, and crises of, the rural sector in Australia have resulted in significant internal migration of people, including the farming population, who have drifted to the larger regional centres and cities in search of work (Lawrence and Williams, 1990:39). The most recent recession has meant that the difficulties being experienced by those directly involved in agriculture are significantly impacting on the populations of many regional communities and consequently on decisions to move. Thus:

in the absence of countervailing tendencies in employment in rural towns and villages, there is contraction of regional economic

activity and subsequent population loss (Lawrence and Williams, 1990:38).

Rolley and Humphreys (1993:247) also recognise that,

for each person leaving agriculture, there is the potential loss of at least one other person from the towns which service the farms. A decline in farm population means a reduced demand for goods and services supplied by the retail service sector of the small rural townships.

For rural New South Wales specifically, there would appear to be an increased population movement from inland regions to urban areas and coastal townships. Salt in his report for Coopers and Lybrand Consultants found that among those municipalities in provincial New South Wales that recorded greatest net migration gain over the period 1976-1989 were communities along the coast extending from Eurobadalla in the south to Tweed in the north: the primary focus being Shoalhaven, Tweed, Coffs Harbour, Hastings and Ballina (Salt, 1992:19). The author also found that,

at the other end of the spectrum, those municipalities that recorded most net migration loss in provincial New South Wales figure prominently on the national scale. These include Wollongong, Newcastle and Broken Hill... Many of the remaining parts of New South Wales where net migration losses have been high over the last 15 years include inland agricultural service townships, namely Goulburn, Narrabri, Parkes, Lachlan, Grafton and Bland (Salt, 1992:19).

Population movements away from rural areas, together with the downturn in agricultural productivity and declining industries, services and job opportunities can have an enormous impact on the viability of many communities. Lawrence and Williams (1990:40) argue that,

currently about one third of Australia's country towns are in decline, associated with population movements and government rationalisation... while there was evidence of a 'population turnaround' (urban-to-rural migration) in the 1970s the older pattern of rural-to-urban migration has re-emerged in the 1980s and more importantly is likely to continue into the 1990s.

This situation has had massive implications for the "welfare and well-being" of many rural communities, particularly in inland rural and remote areas. Whilst

poverty and disadvantage has often characterised many areas of rural Australia, including rural New South Wales,

declining employment opportunities, depopulation, and reduced services associated with rural restructuring exacerbate the hardships experienced by an already disadvantaged section of the nation's population... Chronic poverty, such as that which occurs when the profitability of farming activities remains at a low level for a long period has become the hallmark of many inland, isolated areas and small country towns (Rolley and Humphreys, 1993:248).

In a paper tabled to the Committee in evidence regarding the situation in Broken Hill, an essentially mining town, the following was noted:

Broken Hill is a good example of the dynamics of decline. Once the local mines employed over 5,000 men. Gradually over the last 10 years retrenchments have commenced and the domino effect of decline started... Approximately 1,000 workers are employed today with the ever concerning threat of further redundancies. Adolescents of Broken Hill who were once guaranteed a job on the mines are now almost certainly guaranteed they will not (Graham, 1993:5, tabled 13 July 1994).

The Committee has heard in evidence of the often "strained" or difficult relationship experienced by some rural people, particularly between farmers and banking organisations. The very high interest rates throughout the 1980s, the ability of banks to set very high risk margins to these interest rates, together with the simultaneous drop in commodity prices and the extensive period of drought, has meant that many borrowers have been faced with considerable difficulty in discharging outstanding debts. For some farmers, as the Committee heard in (in camera) evidence and by way of written submissions, the pursuit of a debt by a bank was often vigorous, with the result being foreclosure.

Many of these issues were covered in the 1991 report of the Standing Committee on Finance and Public Administration on Banking and Deregulation and the follow-up 1992 Review of Certain Recommendations of the Banking Inquiry Report, by the Standing Committee on Banking, Finance and Public Administration. Both reports documented the often tense relationship members of the rural sector have had with banks during the period of the rural downturn. Moreover, the latter report observed that,

drought in some regions will have a significant impact and many farmers will continue to experience severe hardship. Consequently it can be expected the relationship between banks and farming

customers will remain under pressure (Standing Committee on Banking, Finance and Public Administration, 1992:24).

The Committee was told that many of the procedures of some banks result in decisions being made that would affect farming clients, by personnel who may have limited knowledge of local or rural issues. Because of the bureaucratic nature of banking organisations, particularly in relation to the delegation of lending powers, rural branches of banks may not have authority to approve loans over a certain amount. Consequently, decisions of farming loans may not necessarily be made in the local area by those fully understanding or appreciating local conditions. Decisions to foreclose on the loans by seizing collateral may also be made outside the local area by banking personnel with limited expertise in, or understanding of, the farming sector and the experiences of farmers.

Evidence to the Review of the Banking Inquiry however, noted that in recent times there has been some improvement to this situation with a number of banks implementing rural specific courses for relevant personnel or establishing rural finance teams, and others supplying rural specific information to rural branches. That Inquiry (1992:34) heard that

farming organisations acknowledged the improvement in expertise within banks to deal with rural customers but considered the overall picture was still variable with some banks doing better than others while even the best banks could do more.

It has been put to the Committee that farmers need to have accessible, independent financial advice to be able to assess adequately the long-term implications and possible outcomes of any loan arrangement that they may enter into. It has also been suggested that banks themselves need to

increase their capacity to provide expert assistance to the farming sector by expanding the quality of their resources in rural branches. Emphasis should be given to enhancing the financial knowledge and farm risk management skills of rural staff (Standing Committee on Banking, Finance and Public Administration, 1992:34).

According to the Australian Bankers Association (ABA) banks themselves have developed a number of initiatives to assist financially pressured farmers. The ABA (Submission 60) indicated to the Committee in its submission that,

banks continue to offer, on a case by case basis, flexible financial arrangements, or where genuine hardship cases exist, concessional terms. A range of flexible financing arrangements are being used to help viable farmers through difficult times. These include helping

farmers rationalise loans, extending terms, tailoring loans to the cash flow characteristics of farmers, on some loans reducing rates of interest, writing down loans, differential pricing on components of the same loan (i.e. utilisation of zero or low interest rates on the portion of a loan which cannot be serviced in the short-term), margin concessions to ensure that viable farmers experiencing financial problems through no fault of their own remain in the industry, and negotiating to meet interest only payments.

Whilst the Committee acknowledges the importance and value of these practices it recognises that they may not be universal to all banks and some may nevertheless vigorously pursue farmers for outstanding debts. The Report of the Review of the Banking Inquiry (1992:27) found that whilst foreclosure of farms is a last resort by banks,

in some cases farmers face significant pressure to leave, including pressure which is imposed by banks.

Moreover, evidence to that Inquiry by the National Farmers Federation indicated that,

if we see a continual recovery in the farm sector, then we would expect to see a number of farms coming on the market either under pressure from the bank or simply because the proprietor has reached the realisation that there is no opportunity for recovery and has made their own decision (Standing Committee on Banking, Finance and Public Administration, 1992:28).

In its submission to this Committee the ABA drew specific attention to a debt mediation scheme, established in 1987 with the National Farmers Federation. The ABA has advised the Committee that the scheme encourages farmers to obtain independent financial advice on the options available to them and then, together with the bank, put in place an appropriate financial plan. However, it concedes that the reality is that some farmers have to leave the industry.

Recently, the Sydney Morning Herald (15 October, 1994) reported that the ABA does not support the establishment of a compulsory mediation scheme. However, it was also reported that

the banks will pay for mediators to be appointed to help financiers and farmers reach agreements on how debts can be repaid. Before starting any repossession, the banks will advise farmers of their right to mediation under the Farmers Assessment Scheme, with farmers in drought-affected areas getting the service at no cost.

The Committee hopes that this mediation scheme will go some way to assist farmers experiencing financial hardship as a result of the drought and the rural downturn. It recommends that the Ministers for Agriculture and Consumer Affairs urge banks to enter into mediation with farmers as soon as it becomes evident that financial hardship is occurring and not at the point of foreclosure.

In light of the current and debilitating drought the Committee notes that members of both the State and Federal Governments have met with the banks in an effort to encourage them to consider the drought in their dealings with farmers, including in their provision of finance and in their pursuit of debts. The Committee considers that for many farmers who are experiencing financial difficulties because of the drought as well as the rural downturn, Ministers at both State and Federal levels should continue to urge banks to make all reasonable allowances for loan repayments and to continue to utilise the option of foreclosure only as a last resort.

RECOMMENDATION 1

That the Minister for Agriculture and Fisheries and the Minister for Consumer Affairs:

- **urge banks to mediate with farmers as soon as it becomes evident that financial hardship is occurring and not at the point of foreclosure; and**
- **continue to urge banking organisations to make reasonable allowances for the repayment of loans by viable farmers experiencing financial hardship as a result of the rural downturn and current drought.**

2.3 SOCIAL AND CULTURAL FACTORS RELEVANT TO RURAL COMMUNITIES

The Committee has heard that, for many rural communities, isolation and a lack of services and recreation alternatives are a traditional and common feature. Many rural residents have had to endure travelling long distances to access a particular service or have had to "go without". For young people in particular, isolation and limited services can lead to boredom and even substance abuse and possible participation in risk taking behaviour. The Committee heard in evidence for instance, that where there are few alternatives to entertainment and a major focus of a town is a local pub, drinking may become a frequent form of leisure and social interaction for young people.

In recent times, the economic and demographic changes that have occurred throughout rural Australia have been accompanied by social and cultural changes, including the breakdown in rural culture and traditions. So-called "country-mindedness", such as the close-knit sense of community, the "mateship", and the self-reliance, would appear to be less of a feature of many rural communities than in previous years (Sorensen and Epps, 1993:30). Like contemporary society generally, traditional family structures are also changing. Single-person households, single-parents and other non-nuclear families are becoming more common in rural areas than they once were (Rolley and Humphrey, 1993:246).

Whilst these cultural changes in themselves may not be considered a negative factor, when coupled with economic, demographic and other social changes they can create a kind of uncertainty in already "vulnerable" or stressed communities.

Throughout the Committee's investigations, Members have heard of the enormous personal costs that have arisen as a result of the rural changes and, in particular, the rural crisis. Certain farming properties, for instance, which have been in families for generations, are increasingly vulnerable to being sold or repossessed where owners can no longer meet enormous debts. The loss of a farm therefore can mean to many the loss of one's business and home and also one's family identity and history. A representative from the Union of Farmers has highlighted to the Committee the enormous implications to agriculture and farming communities that could arise should a new generation of farmers be lost.

Evidence has been given to the Committee indicating that financially struggling farming families who are remaining on their properties do so at great sacrifice: many are cutting their living expenses including essentials such as food and clothing, restricting or denying their children's educational opportunities and many women are taking jobs in the local town to supplement the family income. Oral testimony to the Committee from members and former members of the farming community has emphasised the severe stress, anxiety and depression that this situation has created. Committee Members have heard evidence of family breakdowns, the onset of physical illness and the enormous emotional pressures placed on young people whose families' farms have been lost or are under threat (Evidence, 11 August 1994).

Evidence was, for example, presented to the Committee of a farming family who could not afford to purchase a pair of shoes for their daughter. Consequently, she could not attend school (Evidence, 30 August, 1994). The Committee also heard of a farming family whose inability to discharge an enormous debt and who were vigorously pursued by the bank for the monies owed, forced them to take their son from his tertiary study. The marriage also subsequently broke down (Evidence, 11 August, 1994)

The Interim Report of the Social Development Committee, Parliament of South Australia on Rural Poverty in South Australia, demonstrated the strains being placed upon children of farmers struggling in the current down-turn. Evidence to that Inquiry revealed that,

some children blamed themselves for their family's financial difficulties. Believing that they were a financial drain on the family, the Committee was told that some children had approached their school counsellor to find out how they could be adopted or fostered out. It was also reported that the rural crisis was placing a severe psychological strain on children and that a number had attempted to commit suicide (Parliament of South Australia, 1994:15).

2.4 GROWTH AREAS

Whilst generally acknowledged that parts of rural Australia, including rural New South Wales, have been experiencing a crisis, Walmsley (1993:52) notes that

it must be remembered that not all areas of the rural sector are depressed. Returns in some industries are reasonable, especially where producers have a significant level of equity and are therefore insulated from the effect of high interest rates.

Moreover, the last decade has witnessed the development of so-called "hub" towns or key regional development centres. These towns are the major service providers for a range of outlying rural communities.

Key factors in the development of these towns have been the success of some major manufacturing industries, such as in Kempsey (Akubra Hats), Nowra (rubber) and Taree (motor vehicle parts). The transfer of the NSW Department of Agriculture from Sydney to Orange, the combined positive influence of the educational institution at Armidale with the festival/tourism promotions in Tamworth and on the North Coast, have all resulted in increased employment and income stability in these regional areas.

As a further example of growth in some rural centres, information supplied by the Young Shire Council notes (1993:6) that

during 1993, fifty one development applications were processed (in Young), which although slightly down from 1992, represented a substantial increase in value, to \$5,078,400. Thirty one applications were received for commercial development, from minor changes of use in the business district, to expansions of new

businesses... The most important factor associated with these particular developments is that the majority of the work was carried out by local contractors and that additional permanent employment was created in the town.

These examples are consistent with the evidence received by the Committee which indicated that the more prosperous major rural centres have suffered comparatively less during the period of rural downturn, than the smaller and more remote rural communities.

The effects of the current drought however have meant that growth for a number of regional areas may be problematic or negative. The Sydney Morning Herald reporting on the \$65 million drought package released by the State government (14 October, 1994:1) stated that

rural businesses and regional unemployment [will be] both reaching crisis point if the drought continued for more than six months with some smaller towns never recovering.

2.5 RURAL FINANCIAL ASSISTANCE SCHEMES

A number of schemes have been established over time to assist people on the land facing financial hardship. Among those are the Rural Adjustment Scheme (RAS) and the service provided by rural counsellors.

2.5.1 Rural Adjustment Scheme

The Rural Adjustment Scheme (RAS) began in 1976 (having developed from the Rural Reconstruction Scheme of 1971), in response to the "structural adjustment" of the nation's farming and agriculture sector. Following the gradual contraction of Australia's export markets and the decline in the international prices of commodities, there was greater need among increasing numbers of farmers for government assistance.

Fundamental to the establishment of the Rural Adjustment Scheme was "helping unviable producers depart from the land and, in turn, helping viable producers remain operational" (Wilkinson, 1994:6). However, as Stayner (1994) observes,

the detached description of farm adjustment as an inevitable consequence of national and international forces is little comfort, of course, to those farm families who unwillingly find themselves as the central characters on the process.

Currently, and following a number of revisions, the RAS is funded through the Federal Department of Primary Industries and Energy but is administered by the States through a Rural Assistance Authority, under the responsibility of the Minister for Agriculture.

Wilkinson (1994:6-7) outlines the present objectives of the RAS as concerned with providing the following:

- support to farmers who have prospects of sustainable long-term profitability;
- support to ensure that farmers become financially independent of the initially-provided support;
- grants of subsidies for interest payable loans;
- grants of subsidies for the purposes of farm training, planning, appraisal and support services;
- support to farmers without prospects of sustainable long-term profitability, to leave the farm sector;
- a Farm Household Support Scheme to provide finance to farm families to meet living expenses if they are unable to obtain commercial finance; and
- drought relief through the Pilot Drought Scheme.

For the years 1992-1994 the NSW Rural Assistance Authority approved financial aid of \$110 million to 10,750 primary producers under all categories of the RAS.

The Committee understands that, in recent times, the RAS has come under increased scrutiny by members of the farming community, in particular those who consider its criteria and guidelines for assistance too strict. The Committee has been informed for instance that,

*the Rural Adjustment Scheme... is marketed subtly as a subsidisation of rural people, but very few rural people are eligible because **viability** is a term without reference or parameters... Nobody understands the rules, because nobody knows the rules. Furthermore, the rules or guidelines are simply not available in written form to applicants. It is a bureaucratic nightmare, promoted as a saviour of country people who are in fact, ineligible (Union of Farmers Incorporated, 1994:2).*

The Committee notes that currently the Senate Standing Committee on Rural and Regional Affairs is conducting an Inquiry into the Rural Adjustment Scheme. The Terms of Reference of that Inquiry are that the Senate Standing Committee inquire and report on:

- (a) *the adequacy of the Rural Adjustment Scheme, including its current guidelines and operations, in meeting the present and future needs of primary producers suffering from prolonged adverse circumstances beyond their control;*
- (b) *the extent of rural debt, the nature and serviceability of that debt and its social, economic and ecological consequences; and*
- (c) *what mechanisms should be recommended for the management of rural reconstruction and the contributing roles of government, the financial sector and industry.*

The Committee notes that the Senate Standing Committee is due to report on its findings in late 1994. It is hoped that the report of that Inquiry will address many of the concerns members of farming communities have with the RAS, especially when so many of them are suffering under the crippling drought.

The Committee observes that recently, following a request by NSW Premier Fahey, the Federal Government has eased the eligibility criteria for drought-affected NSW farmers under the Rural Adjustment Scheme. The Sydney Morning Herald reports that a farm enterprise could be eligible if it suffered extreme financial difficulty due to drought conditions in two of the past three years. However, some areas, which are nevertheless drought affected, remain ineligible.

The Committee is concerned that the recent drought will compound the hardship, stresses and anxieties of many families already suffering because of downturn. It therefore proposes that the Minister for Agriculture monitor the operation of the RAS in New South Wales, so as to ensure that positive responses to farmers applications are maximised.

RECOMMENDATION 2

That the Minister for Agriculture negotiate with the Federal Minister for Primary Industries and Energy to ensure that the operation of the Rural Adjustment Scheme maximises positive and swift responses to farmers' applications.

2.5.2 Rural Counsellors

Rural counselling services were established throughout Australia in 1986. In New South Wales they are located in 26 centres. Funding is provided from both the Federal Government, through the Department of Primary Industries and Energy (DPIE) and from the New South Wales Department of Agriculture. Community-based advisory groups also provide some resources and act as employer to the counsellors. Rural counsellors are independent of financial institutions, welfare agencies and government and the service provided is free of charge. Counsellors can travel to properties for consultations and will provide on-going assistance if required.

The assistance which rural counsellors can provide includes the following:

- assessment of a farmer's current financial position;
- cash flow budgeting;
- reviews of contracts with lending institutions;
- loan applications;
- communication with lenders;
- information on government assistance schemes, including the Rural Adjustment Scheme;
- information on Social Security and other welfare benefits;
- assistance with family decision-making; and
- personal or family counselling where required, or referral to appropriate services (DPIE, undated:2).

A major function of the rural counsellor is to help a family identify and assess the available options open to them in trying to discharge a debt and to assist in the negotiation process with the lender.

The Committee spoke with a number of rural counsellors during the course of the Inquiry, all of whom described the financial struggles of many farming families today. Some of the rural counsellors with whom the Committee spoke indicated that, among their clients, none had been known to suicide. However, a submission provided by another rural counsellor referred to the suicide of a client. It was suggested to the Committee that the few suicides known directly to counsellors

may indicate that rural counsellors are in fact performing some sort of preventative role (Evidence, 9 June, 1994). Being able to talk with someone who can offer assistance can, in many instances, relieve at least some of the stress and pressure felt by those in financial difficulties, by exploring possible strategies and alternatives. However, given the apparent reluctance of many rural people, particularly farmers, to disclose personal problems and to strive to maintain a sense of resilience and resoluteness, it is conceivable that those most at risk of mental distress and possible suicide would not contemplate seeking assistance from the local rural counsellor. The Committee therefore considers it essential that the role of rural counsellors be actively and sensitively publicised throughout rural and farming communities, with such publicity providing assurances of confidentiality.

RECOMMENDATION 3

That the Minister for Agriculture and Fisheries, in liaison with the Federal Minister for Primary Industries and Energy, ensure that funding for rural counsellors continue and that there be developed sensitive and locally-based campaigns to publicise the services provided by rural counsellors for farming families.

2.6 CONCLUSION

The major structural changes that have occurred throughout rural communities today, along with the severe rural downturn and crippling drought have resulted in considerable uncertainty, hardship and suffering for many rural individuals and families. This has been clearly borne out by the literature as well as the evidence received by the Committee. Against this backdrop the Committee will consider a number of issues significant to suicide in rural New South Wales.

