

~~Section 93 of the Transport Infrastructure Act provides that the Minister for Main Roads may declare a toll payable for the use of certain roads. Section 93AA of the Transport Infrastructure Act has the effect that, from 31 December 2011, new tolling declarations may not be made for the Gateway and Logan Motorway facilities. An amendment to section 93AA of the act is proposed to allow a declaration to be made if the minister is satisfied that specific conditions have been met. This is to facilitate the Logan Motorway Enhancement Project, which, if approved by the government, is proposed to be funded through a new toll point at new south facing ramps at Compton Road and changes to tolling arrangements for class 4 heavy vehicles on the Logan and Gateway motorways. Motorists will not be forced to use the new ramps, with free alternative routes continuing to be available. The price of tolls for all other motorists apart from heavy vehicles will not be changed from the existing arrangements.~~

~~I know the Queensland Trucking Association supports the Logan Motorway Enhancement Project because of the benefits and efficiencies it will deliver to its members. The overall project has wider economic benefits to our state, including additional jobs, by improving transport efficiencies and productivity in our road freight network and delivering better connectivity between transport hubs. This is especially significant when considering the movement of export goods to and from hubs such as the Port of Brisbane.~~

~~This bill will amend the Gaming Machine Act to remove a taxation disincentive for clubs with multiple premises. Currently, where clubs operate multiple premises under a single gaming machine licence, the monthly metered win from all premises is aggregated before the relevant tax rate is applied. This can result in clubs paying more tax than they would if tax were applied separately to the non-aggregated gaming machine revenue of each premises. This is a significant issue for the industry as the number of club venues licensed under the Gaming Machine Act has declined from 557 in June 2009 to 457 in June 2016. Removing the disincentive for clubs with multiple premises is expected to slow the decline in club venues as it will make the adoption of smaller clubs and the creation of new facilities more appealing to larger clubs.~~

~~An amendment to the Keno Act is proposed to enable Keno (Qld) Pty Ltd to participate in a pooled jackpot arrangement currently operating in New South Wales and Victoria. Under the arrangement, a small percentage of ticket sales that would normally increment towards each jurisdiction's individual jackpot is added to a shared jackpot growth pool. The funds in the shared pool may be won by players in any of the participating jurisdictions. In addition to the foregoing, this bill makes further minor amendments, including consequential amendments to the Liquor Act 1992 and the Planning (Consequential) and Other Legislation Amendment Act 2016. I commend the bill to the House.~~

### **~~First Reading~~**

~~**Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (12.54 pm): I move—~~

~~That the bill be now read a first time.~~

~~Question put—That the bill be now read a first time.~~

~~Motion agreed to.~~


~~Bill read a first time.>~~

### **~~Referral to the Finance and Administration Committee~~**

~~**Madam DEPUTY SPEAKER** (Ms Farmer): In accordance with standing order 131, the bill is now referred to the Finance and Administration Committee.~~

## **<FARM BUSINESS DEBT MEDIATION BILL**

### **Introduction**

 **Hon. LE DONALDSON** (Bundaberg—ALP) (Minister for Agriculture and Fisheries) (12.55 pm): <I present a bill for an act to provide for mediation for >farm business debts and related purposes, and to amend this act, the Biological Control Act 1987, the Biosecurity Act 2014, the Drugs Misuse Act 1986 and the Rural and Regional Adjustment Act 1994 for particular purposes. I table the bill and the explanatory notes. I nominate the Agriculture and Environment Committee to consider the bill.

*Tabled paper:* Farm Business Debt Mediation Bill 2016.

*Tabled paper:* Farm Business Debt Mediation Bill 2016, explanatory notes.

Today, I am pleased to introduce the Farm Business Debt Mediation Bill 2016. Agriculture continues to be an essential part of the Queensland economy, with the total value of Queensland's primary industry commodities forecast to be \$17.32 billion in 2015-16, with agriculture employing approximately 109,000 people. However, Queensland's agricultural sector is vulnerable to external pressures, such as climate and market forces, global financial events and changes in domestic rural credit policies.

In response to the issues identified by the Rural Debt Banking Roundtable and the findings of the Rural Debt and Drought Taskforce chairman's report, the Queensland government announced the \$78 million Rural Assistance and Drought Package as a part of the 2016-17 budget. Of this, the \$36.044 million Rural Assistance Package is a whole-of-government response focused at reducing financial stress and improving financial performance within the rural community, particularly in relation to farm succession planning and renewal within the family farming sector. This bill delivers on key aspects of the Rural Assistance Package, including a legislated farm business debt mediation process and replacing QRAA—formerly the Queensland Rural Adjustment Authority—with the Queensland Rural and Industry Development Authority. The bill also makes unrelated but important amendments to the Biological Control Act 1987, the Biosecurity Act 2014 and the Drugs Misuse Act 1986.

The forced sale of farm assets is always difficult, but there are times when farm families experiencing financial problems claim they have been treated unfairly by financial institutions. The Queensland government wants to ensure farm families experiencing financial difficulty are treated fairly by financial institutions when they are faced with the daunting prospect of selling property assets to repay loans. The primary objective of the bill is to provide a process for the efficient and equitable resolution of farm debt matters. Farm debt mediation is a structured negotiation process in which the mediator, as a neutral and independent person, assists the farmer and the mortgagee in attempting to reach agreement on the present arrangements and future conduct of financial relations between them. Mediation may, for example, lead to agreement on a way for a farmer to remedy a default under the farm mortgage. Unfortunately, this will not always be possible, so mediation may also lead to agreement that the mortgage should be enforced in a particular way. Mediation is a confidential process that is quick, accessible and affordable. It is an alternative to expensive and drawn-out legal processes to resolve financial disputes. However, it does not stop farmers taking legal action to resolve these disputes where this is warranted.

The Queensland Farm Finance Strategy was developed by the Queensland Farmers' Federation and the Australian Bankers' Association in 1996 and was revised in 2008 with broad support. It contains the current voluntary farm debt mediation protocols which have been applied to many farm debt disputes in Queensland. However, concerns that farmers are not always treated fairly by mortgagees continue, so the Queensland government believes it is important to implement a legislated approach to ensure consistency in farm debt mediation and an efficient and equitable process for the benefit of both the mortgagee and farmer.

Both New South Wales in 1994 and Victoria in 2011 have legislated farm debt mediation processes. The bill I am introducing today is largely modelled on the New South Wales Farm Debt Mediation Act 1994. Most of the variations from the New South Wales Act are a result of modern drafting considerations for any Queensland legislation, particularly the application of fundamental legislative principles. Unlike the Queensland Farm Finance Strategy, the bill will apply to all providers of rural credit in respect to farm mortgages. >

Sitting suspended from 1.00 pm to 2.30 pm.

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**<Ms DONALDSON:** It is important to note that pre-mediation aspects of the Queensland Farm Finance Strategy will remain relevant as an additional protection for Queensland's farmers. The bill would not stop financial institutions and producers from using informal negotiations to resolve problems when they arise. However, if informal negotiations failed to resolve a dispute, a mortgagee would have to offer mediation to the farmer before commencing enforcement action. If the farmer took up the option of requesting mediation before enforcement action was taken, but the mortgagee refused to participate or the mortgagee did not engage in mediation in good faith, the farmer could apply for an enforcement action suspension certificate. This would prevent the mortgagee taking the enforcement action for six months or until satisfactory mediation had occurred. Conversely, if the farmer did not request mediation, did not engage in mediation in good faith or if satisfactory mediation occurred, a mortgagee could apply for an exemption certificate which would allow them to take enforcement action. Both parties in the mediation would need to bear their own preparation and attendance costs and share the cost of the mediator equally.

One variation from the approach in New South Wales and Victoria is that the bill allows a farmer to require a mortgagee to provide copies of certain documents relating to the farm debt or mortgage. Similarly, the mortgagee can request certain information about the farmer's financial position. This exchange of information is intended to ensure a level of disclosure that will build trust between the parties and ensure their negotiations are well informed. Another variation from New South Wales is the scope of mortgagees to which the requirements apply. The scope of the bill is limited to a mortgage on farm land or a water allocation. The New South Wales act includes mortgages over farm equipment. This is not within the scope of the bill I am introducing because the existing Credit (Rural Finance) Act 1996 deals with enforcement action over farm equipment in Queensland.

The new authority that is proposed to replace QRAA will accredit mediators and make certain other administrative decisions under the proposed act. A further safeguard that is not found in the New South Wales act is that a person aggrieved by a decision made by the authority would be able to apply for internal review of the decision and, ultimately, a review of the decision by the Queensland Civil and Administrative Tribunal. The accreditation of mediators for up to two years will ensure mediators have an affinity with rural industries and an understanding of finance and financial management.

The new Farm Business Debt Mediation Act is proposed to commence on 1 July 2017. The bill will also amend the Rural and Regional Adjustment Act 1994 to implement other aspects of the Rural Assistance Package. The bill will replace QRAA with the Queensland Rural and Industry Development Authority. QRAA, formerly the Queensland Rural Adjustment Authority, was established as a statutory authority in 1994 and assumed the major activities of the former Queensland Industry Development Corporation's Government Schemes Division. QRAA is a specialist administrator of government financial assistance programs including loans, grants, rebates and subsidies. The bill continues QRAA as the Queensland Rural and Industry Development Authority from 1 July 2017. The authority will have an expanded role, including undertaking policy research and providing advice regarding the financial performance of Queensland's rural and regional sector, especially primary producers, small business and other components of the state's economy. The bill will also require the new authority to partner with commercial lenders and financial advisers to deliver its functions. The bill will allow the authority to administer an expanded range of assistance schemes compared to QRAA. It will be able to build its own effectiveness by providing assistance to communities in the state where government agencies want to use its services for this. Examples of possible future assistance could include grants to community service providers, sporting, cultural and other community organisations.

The bill will also increase the efficiency of the authority's operations by allowing the board, rather than the minister, to appoint an acting chief executive officer of the authority. The bill also clarifies that the Queensland Rural and Industry Development Authority has the power to lend money under an approved scheme. As outlined previously, the authority will also have certain additional functions under the Farm Business Debt Mediation Act. The bill is an alternative way forward for QRAA than that proposed by the member for Mount Isa's Rural and Regional Adjustment (Development Assistance) Amendment Bill 2016.

The bill will also make unrelated amendments to the Biological Control Act 1987 to provide more appropriately for the use of viruses as control agents. Queensland's Biological Control Act 1987 mirrors the federal government's Biological Control Act 1984 to ensure a nationally consistent approach to biological control. The Biological Control Act 1984 was recently amended to clarify that viruses are included as organisms in the relevant definitions. The bill will amend Queensland's Biological Control Act 1987 to bring it back into line with the federal government act. This will provide for nationally consistent definitions that ensure that the protections from liability and injunctions provided by these acts apply to viruses and sub-viral agents. The amendments are due to the proposed release of a new naturally occurring strain of rabbit haemorrhagic disease virus, RHDV or calicivirus, known as K5, and of *cyprinid herpesvirus-3*, carp herpesvirus, for the control of common carp in 2017.

Viruses are known to be effective agents for biological control. However, the classification of viruses as organisms and as living entities has been a matter of ongoing scientific debate and there are possible implications in relation to the application of the Biological Control Act 1987. Most biological control agents are not a source of controversy and all biological control agents are subject to rigorous approvals and scientific testing under other legislation. Consequently, these amendments would commence on assent of the bill.

The bill also provides for amendments to the Biosecurity Act 2014. Biosecurity accreditation systems enable Queensland producers to conduct activities and access markets from which they might otherwise be excluded by law or other requirements. Biosecurity certificates issued by accredited certifiers under the Biosecurity Act 2014 are accepted by interstate quarantine authorities as assurance

that their phytosanitary requirements have been met—for example, their requirements for the treatment of plants and plant products that can carry pests that are not present interstate. Similarly, biosecurity certificates can be used to give assurance where there are restrictions on movement of risk items within Queensland. Currently, biosecurity certificates can only be issued by accredited inspectors appointed under the Biosecurity Act 2014 or, alternatively, by certifiers accredited by the Department of Agriculture and Fisheries. To become accredited, a business or individual must demonstrate to the chief executive that they have effective procedures to meet intrastate or interstate requirements. Their accreditation is subject to conditions, including auditing requirements, amendment, suspension and cancellation on grounds specified in legislation.

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The Queensland government has listened to industry. Over the past decade, the Nursery and Garden Industry Australia has developed a new approach to plant health assurance arrangements, which is a third party accreditation scheme called BioSecure HACCP. This system has reached maturity, having being trialled over the past two years. Under BioSecure HACCP, the Nursery and Garden Industry Australia controls certification, accreditation of certifiers, auditing arrangements, training requirements, suspension, amendment and cancellation, and the development of procedures that meet government quarantine requirements. Industry-led accreditation arrangements, such as BioSecure HACCP, are the future of biosecurity assurance systems by biosecurity authorities in all Australian jurisdictions. However, currently Queensland's Biosecurity Act 2014 does not provide an appropriate framework for allowing such industry-led accreditation schemes to operate alongside existing accreditation systems. The bill provides for recognition of third party accreditation systems, such as BioSecure HACCP, and for certificates issued in accordance with an approved third party accreditation system to be a biosecurity certificate for the purposes of the Biosecurity Act 2014.

Amendments to the Drugs Misuse Act 1986 have been included in the bill to enable the supply of seed by Queensland licensed industrial cannabis producers, to proponents licensed under the federal government's newly established medicinal cannabis cultivations and research scheme. Currently, part 5B of Queensland's Drugs Misuse Act 1986 allows for the processing, marketing of and trade in industrial cannabis fibre, seed and products derived from these. Industrial hemp producers cannot either directly or indirectly produce anything for a person to administer, consume or smoke. The amendments by the federal government to the Narcotic Drugs Act 1967 enable the production of medicinal cannabis under a strictly controlled national licensing system.

Earlier this year, Queensland Health, supported by the Department of Agriculture and Fisheries, hosted a series of public roundtables across the state to discuss the federal government's medicinal cannabis scheme. Throughout those roundtables, the issue of sourcing seed was consistently raised by stakeholders. As a consequence of the Queensland government's feedback to the federal government, they are now allowing seed to be sourced from licit Australian sources, including industrial cannabis growers licensed in Queensland under part 5B of the Drugs Misuse Act 1986. The Queensland industrial cannabis industry has developed valuable cannabis seed lines for which it holds plant breeder rights. The proposed amendments will enable the Queensland industrial cannabis industry to supply into the medicinal cannabis supply chain, once the federal government's scheme commences. These amendments will create new opportunities for Queenslanders. The changes will be mutually beneficial for licensed industrial hemp growers and those Queensland businesses interested in being part of the emerging medicinal cannabis industry in Australia.

The government is committed to assisting rural producers and communities across the state. With 83.92 per cent of the state drought declared, the additional funding announced in the 2016-17 budget comes at a crucial time for rural and regional Queensland. The Farm Business Debt Mediation Bill 2016 is fundamental to the implementation of this \$36.044 million Rural Assistance Package. The Queensland government will continue its support for the agriculture sector and rural Queensland to build its future and respond to the continuing drought conditions. I commend the bill to the House.

### ~~First Reading~~

~~Hon. LE DONALDSON (Bundaberg ALP) (Minister for Agriculture and Fisheries) (2.42 pm): I move—~~

~~That the bill be now read a first time.~~

~~Question put That the bill be now read a first time.~~

~~Motion agreed to.~~

~~Bill read a first time.~~