

Reference: CTS 23892/16

22 SEP 2016

Mr Peter Russo MP  
Chair  
Finance and Administration Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Mr Russo

I am writing in response to two questions asked by members of the Finance and Administration Committee, at the public hearing of the *Farm Business Debt Mediation Bill 2016* on 14 September 2016, which were taken on notice by representatives of the Department of Agriculture and Fisheries.

The Department of Agriculture and Fisheries' response to both questions is provided in Attachment 1 to this letter.

If you require any further information, please contact Mr Patrick Coyne, Principal Policy Officer, Regulatory Policy and Reform on telephone 07 3898 9681 or email [pat.coyne@daf.qld.gov.au](mailto:pat.coyne@daf.qld.gov.au).

Yours sincerely



**Dr Elizabeth Woods**  
**Director-General**  
**Department of Agriculture and Fisheries**

Att

**Responses to Questions on Notice**

**Finance and Administration Committee**

***Farm Business Debt Mediation Bill 2016***

**Question:**

*Is there a draft regulation prepared outlining the matters proposed in the Bill to be prescribed by regulation, and if so, can you provide a copy of the draft regulation or more information on what the draft regulation contains?*

The regulation is not finalised and is still subject to drafting, therefore a copy cannot be provided to the Committee at this stage. The regulation however will only implement the first tranche of amendments to the *Rural and Regional Adjustment Regulation 2011*.

The regulation will amend the Primary Industry Productivity Enhancement Scheme (PIPES) in Schedule 1 of the regulation. PIPES is a QRAA administered program which provides concessional loans to assist the development of the agricultural sector and has two components.

The first component is a sustainability component that supports farm investments which improve productivity and sustainability and the second component is 'First Start', which assists people who are looking to establish themselves as primary producers.

The changes to PIPES are intended to bring the PIPES program up to date and consistent with current lending conditions for the agricultural sector. These changes will include:

- i. doubling the sustainability loan limit from \$650 000 to \$1.3 million
- ii. increasing the First Start loans from \$650 000 to \$2 million
- iii. removing the maximum loan limit for livestock, plant and machinery of \$200 000
- iv. allowing for the ability to fix interest rates at any time during the loan
- v. allowing for greater flexibility in the setting of interest only periods
- vi. allowing for the ability to consolidate loans
- vii. making minor changes to definitions and general eligibility requirements to improve accessibility of the scheme.

The Department of Agriculture and Fisheries (DAF) gives the Committee an undertaking to provide a finalised version of the regulation once it has been approved by Governor in Council.

## Biosecurity Act Amendments in *Farm Business Debt Mediation Bill 2016*

### Question:

*With regards Bovine Johne's Disease or BJD, does the Bill propose moving the classification of the disease out of its current protection status, and what is the purpose of the proposed change in status?*

The Bill, and its associated amendments to the *Biosecurity Act 2014* to allow for third party accreditation systems, does not make any changes in regard to Bovine Johne's Disease (BJD).

A new Queensland strategy for managing Johne's disease risks in all livestock commenced on 1 July 2016 under a new national framework for BJD (Johne's disease in cattle) and the *Biosecurity Act 2014*.

Following a review, the new national approach to Johne's disease management shifted the approach from government regulation to industry management of Johne's disease risk at the property level. Producers are provided with tools to assess and declare their Johne's disease risk. The national framework no longer supports regulated zones, interstate movement restrictions, property quarantine or tracing, although Johne's disease remains notifiable to support export market access. The previous protected zone status assigned to Queensland which depended on low prevalence and regulatory prevention of spread of Johne's disease has been withdrawn.

Given the shift from previous arrangements to the new national framework, transitional arrangements have been put in place. Due to the previous protected zone status, all Queensland properties without BJD will transition to a high level of assurance in the new national assessment tools. This assurance level is maintained by developing a property biosecurity plan and undertaking testing. The Department of Agriculture and Fisheries has published guidelines under the *Biosecurity Act 2014* to inform people about how they may manage the risks of Johne's disease. The department is also supporting the national program's communications and education activities to enable Queensland producers to adopt the new arrangements and tools.

The current national accreditation tool for BJD assurance is to be discontinued from 1 November 2016, and currently accredited properties will transfer to the highest level of assurance under the new assessment tools. There is no intention to introduce a BJD accreditation system in Queensland to replace the discontinued national system. As such, there is no intention at this stage to utilise the provisions proposed for inclusion in the *Biosecurity Act 2014* to facilitate an industry accreditation system for BJD.