




Speech By
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MEMBER FOR MOUNT ISA

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ADJOURNMENT

Western Queensland, Rural Industry Crisis

 **Mr KATTER** (Mount Isa—KAP) (6.24 pm): I rise in the House to raise awareness of the critical situation in Western Queensland associated with rural industries, and I make a distinction between the drought and the rural crisis. It is a rural crisis that is reflective of fundamental structural issues in these industries that have been growing for a long time and would take some very significant changes in policy and attitude to change. I appreciate that the agriculture minister is well aware of the pain and suffering that people are experiencing and am appreciative of the briefing he gave to members this morning in terms of what the government is doing, but unfortunately there is a lot more pain to be had. I am not just talking about cattle producers in my area. Cattle producers were already struggling before the drought hit with the Aussie dollar, BJD, the live export ban and many other factors such as rising costs and stagnant prices. The situation hitting them now has put them in a diabolical state and has been indiscriminate in that it is affecting established families and people who have been very frugal all of their lives and good managers and good producers. We need those people to stay on the land, but they are in big trouble. These people will not be able to pay their rates for the next couple of years. They will struggle to pay their rates and land rents. That is a big problem for the towns. In most of these towns the local council is the biggest employer. Grocery stores, motorbike shops and tyre places in these towns are all crying out for help. There will be big problems in these towns and it is going to be very fragile for the next two or three years. People need to be aware of that because support will need to be forthcoming.

In terms of solutions, a rural debt round table has been promoting the ARDB. It was much publicised at St George the other weekend. The Australian Reconstruction and Development Board is the first ray of hope for these producers to help them address the critical debt situation. Average farm debts rose from \$700,000 in 2010 to \$1.4 million and rising in 2013. As a percentage of gross farm production, debt was 32 per cent in 1980; it is now at 135.4 per cent in 2012. I will repeat that: debt as a percentage of gross farm production is 135 per cent now. That should be a scary issue for everyone to contemplate and realise that rural debt is a big problem that needs to be addressed. I implore federal politicians to look at the ARDB submission and support Barnaby Joyce and the bill before the Senate to make it happen, because this is the only safety net that is going to save rural industries and keep these people on the land and stop that land from falling into foreign ownership and large corporate ownership and save family farming operations.