



Speech By  
**Robbie Katter**


**MEMBER FOR MOUNT ISA**

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## ADJOURNMENT

### Australian Reconstruction and Development Board

 **Mr KATTER** (Mount Isa—KAP) (11.14 pm): I rise to speak about the inadequacies of the assistance that is currently provided to cattle producers and farmers. The real answer is that they urgently need the support of the federal parliament through the Australian Reconstruction and Development Board. The recent data that is available shows that, given that a large portion of the industry is in trouble, the take-up of the loans package has been poor. Recently, one western mayor indicated to me that the number of ratepayers who had not paid their rates in two years had risen alarmingly. That was just one shire. Once those people get three years in arrears, the council needs to sell up their properties. A lot of these places have destocked because there is no feed there. When the rain comes later in the year, cattle prices are expected to skyrocket. But none of these people are going to be able to afford to restock, so their ability to pay their rates in the near future does not look good at all.

It is a dark hour for the industry. You can see that this situation has not happened overnight. It has not happened just as a result of the live export ban. Over the past 20 years, rural debt has incrementally departed from the associated farm income. National rural debt is estimated at \$66 billion. Average farm debt levels rose from \$700,000 three years ago to \$1.2 million in 2012 and in the middle of 2013 were at \$1.4 million and increasing. These are very concerning figures. A common misconception is that this debt has been incurred through property expansions and acquisitions. That is not the case at all.

The good news is that there is a very effective solution to this crippling rural debt problem that is in federal parliament at the moment, and that is the Australian Reconstruction and Development Board. This board will ensure the sustainability of Australian agriculture by taking over eligible bad debt from commercial banks at a discounted value and offering farmers refinancing at interest rates that are lower than those offered by commercial lenders.

Upon being elected, the new government saw fit to expand the federal budget by \$8 billion to allow some desk jockeys to play around with pesos and rupiah. The previous government was happy to bail out the failures of the banking industry post the GFC with the backing of some \$14 billion. Some \$4 billion to \$6 billion for the ARDB could cage the entire rural debt for agriculture in Australia. Surely it deserves support.

Historically, these types of facilities have proven to be successful business models. They are prevalent throughout the world. In Queensland, the QIDC was sold by the Borbidge government for \$1 billion, which is a demonstration of its success. The ARDB urgently needs the support of this state government. It is desperately needed by farmers. It is a real solution that can provide for the sustainability of the land.

*(Time expired)*