




Speech By
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MEMBER FOR MOUNT ISA

Record of Proceedings, 21 May 2015

PRIVATE MEMBER'S STATEMENT

Drought

 **Mr KATTER** (Mount Isa—KAP) (3.34 pm): I rise to advise the House how disappointed I was by the response from the agriculture minister to my question on the ARDB yesterday and bring to the attention of the House the severity of this rural crisis and the plight of the townspeople who have been forgotten in this rural crisis. There is a crisis out there. We jump when there is a cyclone or a flood. This is something that has been strangling the people in my electorate for three years now. Even if we get rain at the end of this year, no-one has any money to buy cattle. If they do not have money to buy cattle, there is no cash flow and there is no money being spent in these towns. People are scratching their heads and a hopelessness prevails and people are starting to get angry. We need to give them answers. If we are not going to throw them \$1 billion in exceptional circumstances funding because we do not call it a natural disaster—even though it is—and if we are not going to throw money at them, we should be cost effective and give them a reconstruction board as governments have done in the past. That is the answer. The federal government has just failed us on that. It rejected it out of the Senate committee for the second time. We can do it here in this state, and it must happen. It is the most cost-effective solution we can provide.

The number of people living in my electorate is declining because of the drought. We do not have a strong voice, but this is a \$4 billion industry and there is no alternate use for this land. Do not think that magically all of this capital is going to flow and those people will stay out there working the land for someone or something else such as superannuation funds or foreign owners. It does not work like that. The most frequent people who visit these places are the mailman and the Salvation Army providing charity and even they say, 'Don't bother going up that road because there's only this family left. There's no more families up there.' These towns and their surrounds are dying and crumbling around me. I am trying to give members a picture of what is going on out there. It is not a matter of these people just selling up and then they are sitting on a huge super fund. That would create a vortex in property values. The banks know about it and that is why they are not foreclosing right now. The ARDB or some such reconstruction board could go in there and have the ability to make money by taking a first mortgage on these places and stick with that lending mechanism. It is a cost-effective solution for the taxpayers and it can maintain and rebuild that industry. Before debt, this was a viable industry. If we choose to keep these smaller families in the industry and they are viable and we are globally competitive, they have the best land husbandry. They are the best people to look after that land. If we want to do that, we need to give them some assistance. At the moment that is not happening. The drought concession loans are useless. Hardly anyone has taken them up, and for good reason. They are giving up on them. People need help by way of a reconstruction board.