




Speech By
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MEMBER FOR MOUNT ISA

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APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL

 **Mr KATTER** (Mount Isa—KAP) (8.40 pm): I rise to speak to the Appropriation Bill for the Agriculture and Environment Committee, and I will begin by thanking the chair. As in my previous experiences with the committee system, I think he has conducted himself with fairness and enough latitude that the process worked very well, so I thank him sincerely for that.

The need for a Rural Debt Survey was raised in the Appropriation Bill. The Rural Debt Survey is absolutely critical for moving forward in the formulation of rural policy in this state. Rural debt is one of the best barometers we can use to measure the health of the industry. There has been a lot of equivocation, argument and rhetoric about conditions in the industry. Whoever is in government at the time likes to say that things are great and they paint a different picture, so it is very important that we have a Rural Debt Survey. It is something that I am highly supportive of and I know there is work being done in that area.

One of our questions was about the dairy industry, and I do not think that has ever been properly addressed. I would say that the question we put to the minister was similar to questions asked of previous ministers. There is a lot of emphasis in the budget reports on productivity but not enough on profitability, and there is an inherent difference. For example, people say that the deregulation of the dairy industry has been terrific because productivity has been enhanced, but for dairy farmers 'productivity' can mean that one 60- or 70-year-old dairy farmer is working until 11 o'clock at night doing the job of two people. If profitability is not there in the industry it is not healthy. There are many aspects to rural industries. Some can be measured by rural debt and some can be measured by profitability, and I think that is something that policymakers in this place have failed to properly address for some time.

We spoke a lot about the recommendations that came from the Rural Debt and Drought Taskforce, which is something that I am very interested in. I would like to go through them. Recommendations 1 and 2 concern a Farm Debt Reconstruction Authority and are not really addressed in this budget. All I can say about that is someone should show me a better idea of how we begin the process of rebuilding in rural areas of Queensland. I can certainly speak with authority regarding my area when I say that there are some big problems which still need to be addressed. Recommendation 3, multi-peril crop insurance, has been addressed somewhat. Giving people that funding now works in two ways: people need to be financially literate, and if they are going to get through these areas they need coaching; also that money can be used for accounting production records to contribute towards the multi-peril insurance industry, which is effectively disaster management which is done through the private sector or people doing it for themselves. It is very clever and innovative policymaking. We are in the space that we should be, so that covered it very well.

Another area in the budget that I would refer to is the Office of Rural Affairs. An interesting point to make is that since I have been in this place DAFF has said that drought concession loans and the like have been doing their job. In December last year I found out that, of the 265 drought concession loans, only four had gone out in my electorate. That shows it is a failed policy. It has not helped those people who are in trouble because of the drought one bit, so a different approach needs to be taken and it needs to start somewhere.

The reconstruction of QRAA so that it will do the job of rebuilding agriculture properly has been brought to light in those recommendations, and I welcome that. It is something that the LNP called for previously. One issue that was not addressed is the desilting of dams. I think there is something in the space of solar pumps and watering units that can help with productivity in rural areas, and we are still waiting to hear from the government on that. That would be of great benefit and it definitely needs some work from this government.