




Speech By  
**Linus Power**

**MEMBER FOR LOGAN**

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**FARM BUSINESS DEBT MEDIATION BILL; RURAL AND REGIONAL  
ADJUSTMENT (DEVELOPMENT ASSISTANCE) AMENDMENT BILL**

 **Mr POWER** (Logan—ALP) (11.55 pm): We have some real success stories to tell in our Queensland agriculture industry that often go unspoken. The latest ABARES agricultural commodities report for March tells some of that story. Under the LNP government in 2014-15 Queensland average farm business profit was in negative territory. Honourable members should remember that the LNP listed agriculture as one of their four pillars. However, over the three years of the LNP government, according to the ABS figures, employment went down in that sector—from 72,000 Queenslanders employed in the sector to 54,000, a 25 per cent reduction in employment. That is the record of the LNP government in the agriculture sector. That is the record of the LNP that will stick with them. Under the stewardship of the Palaszczuk government, farm business profits rose from minus \$48,540 to \$71,600 in 2015-16.

**An opposition member** interjected.

**Mr POWER:** I am talking about the good story that we have to tell about agriculture in this state. This is expected to increase further in 2016-17 to around \$144,000 a year. This continued improvement is well and truly outstripping the average Australian performance.

We have heard much about the export of live cattle and how this contributed to debt and difficulties for farmers, so I thought I would look to some of the facts about this. According to LiveCorp, the total value of our exports through live cattle in 2010 was \$684 million and in 2015, this last year, the export was \$1.463 billion. That is an increase of 214 per cent; incomes over those five years from that sector increased 214 per cent. While the events of 7 June to 6 July 2011 could have been different and could have put it on a different trajectory, we cannot see that, if we are making the argument about farm debt, a 214 per cent increase in income from the live cattle export trade is all of the cause. We do recognise that not all producers have had a 214 per cent increase in their income from a particular sector in that time and that some of our producers are not doing as well as they could. The Palaszczuk government is making sure farmers in Queensland are not left behind to drown in unsustainable debt. In some cases, sadly, this means that people are forced to sell their only major source of income, their farm. The primary objective of this bill is to provide a process for the efficient and equitable resolution of farm debt matters.

Farm debt mediation is a structured negotiation process where an independent mediator can assist the producer and the lender in an attempt to reach an agreement on present arrangements and future conduct of financial relations between the parties. Mediation has the potential to lead to positive outcomes for all families. We know that the farming sector is different from other types of investment, with very high and variable land prices. We also know that banks are keen to lend money during periods of high commodity prices and where land valuations are very high but do not understand the cyclical nature of farming in poorer times, more difficult times or times of drought.

We know that it is a special sector that requires banks to have some understanding of the way it works. It is not always possible for mediation to lead to mutually agreed outcomes, but the mediation process will be confidential, affordable, easily accessible and fast. It is a better alternative to drawn-out legal processes, because we know that banks can be very difficult to deal with once they enter into a legal process and we know that the only winners out of that are lawyers. Of course there will be the ability for proper and just legal action where that is required, and this bill will not take away any of those rights.

In this year's financial budget the Palaszczuk government delivered \$78 million for rural assistance and drought packages. This demonstrates the government's commitment to support our rural agricultural sectors. This bill is the end product of responses to issues identified in the rural banking round table and the findings of the Rural Debt and Drought Taskforce. When I was on the agriculture committee I worked with the member for Mount Isa, and I listened to many reports from public servants about these issues. Part of the \$78 million is dedicated to the Rural Assistance Package, which is a whole-of-government response; \$36 million of that focuses on reducing financial stress while improving financial performance within rural communities, including farm succession planning and renewal of the family farming sector.

A key aspect of the Rural Assistance Package is replacing the current Queensland Rural Adjustment Authority with a new, more efficient, wideranging Queensland Rural and Industry Development Authority. As it sits currently, QRAA is the specialist administrator of government financial assistance programs, including loans, grants, rebates and subsidies. QRIDA, which will have a start date of 1 July 2017, will have a much more influential and expanded role to assist the regional and rural communities that we know are doing it tough. Some of QRIDA's new scope will include the ability to undertake policy research as well as provide accurate advice regarding the financial performance of Queensland's rural and regional sectors, and we heard that the member for Mermaid Beach had concerns about those figures. This will be of great assistance especially to our state's primary producers, small businesses and many other components of our state's economy.

The bill will also require the new authority to partner and work with commercial lenders and finance advisers to ensure that it provides the best services and functions to the benefit of our economy. QRIDA will also administer a greater range of assistance schemes than QRAA can currently provide, and it will build upon its own effectiveness to provide assistance to communities and supply such things as grants to community service providers, sporting, cultural and other community organisations. The new authority will also increase its efficiency of operation by the board having the ability to appoint an acting chief executive officer when required. There are also elements that will improve biosecurity, especially relating to viruses.

This bill is important to me because I come from a strong sheep and cattle farming family on my mother's side. My mother left the farm to become a teacher, but we would spend every Christmas on the farm with my granddad Morrie. We would sleep in tents next to the shearing sheds, and I was very much connected to the long line of farmers from which I come. The question might well be asked why I was not afflicted with the curse of many farmers: being part of the National Party. I asked my great uncle Pat at my grandmother's funeral if there many National Party voters in the family, and he said 'No, none of us voted for the National Party. We are all Labor voters.' He said that we were great friends with the local National Party member who came from the same small town, and year after year he tried to convince us to switch over. Pat said to me that the local National Party member Don, who came from the town, said, 'Look, Pat, why don't you change over and vote for the National Party? Look at the results of the last election.' They were all Irish in Burramine. 'In Burramine there were 77 votes for the National Party and only six for the Labor Party, so what does that tell you, Pat?' Pat said, 'I looked him in the eye and said, "It tells me they never were too smart in Burramine East."'