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

Mr KATTER (Mount Isa—KAP) (8.08 pm): I move—

That the Rural and Regional Adjustment (Development Assistance) Amendment Bill be now read a second time.

It is with a strong level of bitterness that I rise to speak to my bill, the Rural and Regional Adjustment (Development Assistance) Amendment Bill 2016. After many years of consulting with producers and the industry, including complex investigations by the Rural Debt and Drought Taskforce, which I chaired, we have come to this point where we have a bill before the House.

For me, the genesis of this bill started during the term of the Newman government. At that time two Australian reconstruction and development board bills were introduced into the federal parliament and they were unsuccessful, although they had strong support from the crossbenches and there was a lot of rhetoric on the side from people who said that the bills had merit and, 'We'll do something,' but nothing was done. A bill coming from the crossbench did not warrant their support.

For years now I have been discussing this issue with industry, people on the ground—primarily cattle producers in my electorate—bankers at the highest level—not just lenders on the ground out in the Mount Isa electorate but bankers at the very highest level who have a strong understanding of what their rural portfolio looks like and what is needed to progress that—academics, financial industry participants and ex public servants, including Sir Leo Hielscher, who developed the QIDC many years ago. At this point I would like to make special mention of Rowell Walton who worked very hard on this bill that we are debating here tonight.

We are seeking a piece of legislation that would address not only the cattle industry in my electorate, but also the viability of our rural towns—something that we could put through parliament that might offer some benefit to people in other areas and other agricultural pursuits outside of cattle. There are many things that will be thrown around that are good for one industry that have no application at all in other industries. For instance, the QFF maintains that we need to tackle the cost of electricity as it has a big impact on agricultural pursuits. Half of my electorate does not have electricity. Fixing electricity costs will make not a scrap of difference. Properties in my electorate run on generators not on mains power. The condition of the agricultural industries—cattle in my case—has to be considered. What can we bring to parliament that will service not just the industry involved but those towns as well?

As I drive around my electorate—and I am sure many other western MPs have the same experience—I see towns in decline. Let us call a spade a spade. You try to be positive and say outback tourism might help. Outback tourism is great, but it will not replace these industries. The towns are in decline and we need to reinvigorate that industry that sits around the town. That is the best way to make it work. Whoever is the MP for the Mount Isa electorate can come down to parliament and try to get money for roads or a town hall, but that will not keep the economy going. The industry around it will keep it going. There is no point having a big foreign owned corporation that does not put money into the town and reduces the number of workers. They own it all and take the profits overseas. That is not an answer. That does not reinvigorate the towns. Talk to people in Charleville. We can empower our local industries and people to help the businesses in these towns and the industry itself. How do we do that?

First of all let us address the size and nature of this problem. Many media outlets and agriculture lobby groups will paint a bright picture of agriculture and say good times are coming, we are moving into Asia and there will be benefits from that. I will paraphrase someone at a recent AgForce conference in Cloncurry. He said, 'Who gets the benefit? I can't see me getting the benefit. There is no point having a benefit in agriculture if I don't get it. We want to see the benefit to our own farmers and our own families, not a benefit to someone else.' That is the big question: where does the benefit go?

I am sure that people talk up the industry with the best of intentions. I do not begrudge them that. Putting your head in the sand while there are large structural problems is ignorant at best. Politicians are parading around saying there is stuff they could do if they could just get the support. They put it back on the people themselves. I have seen politicians out in the western areas at the peak of the drought saying, 'We will help you. I agree with the stuff you are saying, but you have to help me. I have to convince the people down in Canberra/Brisbane so it is back on you. You have to help.' That is bordering on evil. They are taking the responsibility off themselves and putting it back on the people who are in pain when really what that politician is saying is that their political survival is more important than their financial viability. That is what the real message is. Unfortunately it does not occur to some people that that is the message that is being given to them.

Let me go through some empirical data. There is an absence of empirical data in the space of agriculture and rural debt. The following information that was collected over the years of the development of this bill provides some insight into the extent of this problem. In 2010 the average debt level of farms around Australia was $700,000. That rose to $1.4 million in 2011. That is $700,000 to $1.4 million from 2010 to the end of 2011! That is remarkable. We have not collected data since then. We have not had a rural debt survey since 2011, so presumably it has gone far northward of that figure. To that end I have brought in this graph that illustrates the size and nature of the problem.

Mr DEPUTY SPEAKER (Mr Elmes): Can you either table that or put the prop down.

Mr KATTER: I am happy to table that.

Tabled paper: Graph, undated, titled 'Rural Debt & NVFP' depicting rural debt and net value farm price [463].

That illustrates that the problem has been around for a lot longer than drought or live exports. This problem is big and it has been there for a long time and policymakers have ignored it. It should be noted that information on the extent of the problem is limited by the banks' reluctance to provide data. One of the major banks that is exposed to rural debt at the moment, particularly in the northern areas, is one of the ones not contributing to the rural debt survey. That speaks volumes in itself.

In 2009 Meat and Livestock Australia undertook a survey of beef production in the northern cattle grazing industry. It would be fantastic for members, in the course of this debate, to download the report and take note of it. One conclusion from the report was—

In 2009, the northern beef industry is in its worst state since the beef slump of the 1970's with average return on assets (ROA) of 0.3% to 2.0%. Average beef producers tend to be spending more than they have earned in 6 of the last 7 years, indicating the northern beef industry is generally in a very unprofitable and unsustainable state.

That is a pretty concerning message to get from that finding. That was in 2009 before the live export ban and before the onset of the drought in 2011. In their 2013 report on the same area MLA states—

Profit after interest is decreasing, and is mostly negative, as a result of increasing debt with no increase in profits. The majority of Northern Beef producers are not economically sustainable as they are not able to fund present and future liabilities.

Let me move back to the first part of that line that says 'profit after interest'. The biggest growing expense amount on the profit and loss sheets of these cattle enterprises is the interest component on their debt. The cost of capital is the major problem affecting these businesses. If you address that you can put viability back into the industry. The government cannot access cheap diesel to give these people, it cannot access cheap urea to help with their feed, it cannot access cheap wire for fencing or tyres for their vehicles, but it can access affordable money to address debt. That is the purpose of this bill. We are trying to provide a cost-effective way for the taxpayer to help this industry. Let me remind members that there is no alternate use of this land. If this $4 billion industry in Queensland is wiped out it is a big problem for all of us.

The gulf cattleman's survey is the next closest empirical data we have. Barry Hughes lead the charge and has done a great job with the Gulf Cattleman's Association. It paints a similar picture. This is an industry in trouble. The good news is you are not backing a bad horse. It is true that there can be a future in this industry, but the big burden on it at the moment is rural debt. We must address rural debt to jerk this industry back into gear. I am just talking about the cattle industry. Part of the point of going around with the Rural Debt and Drought Taskforce was to investigate if this could apply in other areas. Let us not just try to help the cattle industry in the north: let us do something that can benefit other areas.

I might add that for the average farm the increase in debt as a percentage of gross farm production was 32 per cent in 1980; it was 135 per cent in 2012. I think the most telling and possibly the most profound manifestation of the problem of rural debt is the downturn in the towns themselves, with the closure of shops in western areas. Anyone here can drive through any one of those western towns—and I speak with confidence about my own electorate—and be assured that there are intrinsic structural problems in the industries surrounding those places.

A couple of years ago in one of those small western towns, I had a conversation with the local banker who argued with me. He said, ‘You don’t need this reconstruction board. We don’t have many stressed customers.’ It was as if he was saying that there is no real problem with rural debt. I said, ‘That’s interesting. Can you tell me how all your loans are going for the businesses in town, because they rely on the viability of the industry around them?’ He said, ‘No, you’re right. All the businesses are pretty stuffed in this town.’ There you go; you cannot hide from that.

Out on the cattle property, they will baton down the hatches. They will put a staple through the chequebook. They will not go to town. They will tell you, ‘We’re going alright, as long as the bank doesn’t foreclose on us’. However, you need to look at what is happening in the towns. I have stood at shop counters and spoken to people who have been literally crying and saying, ‘We can’t carry on. We can’t sell this business. We will never be able to sell it. We love living here, but we are at our wit’s end. Last week we had to save up money to drive the car to Townsville to pick up stock to put back into our shop.’ That is when you know that you are poor. That is what is happening in the shops in our towns. I know that we all want to help those people, but what is the most cost-effective way to do that for the taxpayer? It is to stimulate the industries around the towns that those businesses rely on and keep people in the towns.

I will add that at this point the argument will be put, and perhaps raised in this debate, that we can recapitalise the industry by bringing in institutional investors or foreign investors. Firstly, I ask: is that this parliament’s vision for our state? Would we rather provide opportunity to someone else? We know that there will be good times again in the cattle industry and perhaps some positive elements are now appearing on the surface. Who should we let take advantage of that? Foreign investors get subsidised capital. Does it mean that we are happy for them to come in and take advantage of this situation, but we will not support our own people?

This bill attempts to address a systemic failure that exists in the agricultural industries. The bill addresses the shortcomings of the QRAA loans and provides an adjunct to the existing loan facilities that can source capital from an open market outside of the current boundaries of QRAA to provide an alternate lending model to that which currently exists. It provides a mechanism that is more flexible, with greater capacity to take first mortgage loans over property rather than second mortgages. I will stay on this point for a second.

At the moment, in Queensland and Australia we all endorse drought concession loans or PIPES loans. We have those loans now. We all agree that, if people are in trouble, they can be given a loan to get out of trouble. However, the majority of those loans are second mortgages. That is my taxes and your taxes. Our taxes are funding those loans, unsecured. They are not secured against the asset; they are a second mortgage. To me that is silly. That is stupid business. We should be exclusively taking the first mortgage. Second mortgages are the barrier to people taking up these QRAA loans. People say, ‘I’m trying to make do with the bank now. I don’t want to refinance and have a second mortgage, because every time I try to deal with my account I will have two banks to deal with and will have to go through the evaluation process.’ There are all sorts of negative effects from having a second mortgage. We already agree in principle that we have a lending facility, but I am proposing to make it a more efficient use of taxpayers’ money in that you are only taking first mortgages over these loans.

In my electorate, the most common comment I get about QRAA loans is that they are available to those who do not need them, that is, those who are in a strong capital position. A farmer may have inherited his property and is doing well. Perhaps he has worked hard. He may not necessarily be a great operator, but he is in a strong capital position. I could be the farmer next door, working my heart out. I have been a copybook manager of the place, practising terrific environmental management, land husbandry and animal husbandry. I may be a really progressive farmer but not have as strong a capital position. It might even be that the bank has just done revaluations in the area, so I get called a ‘stressed loan’. QRAA will say, ‘You’re not viable, Robbie. You don’t pass the viability test.’ I say, ‘But I am a much better proposition than my mate up the road, who is in a good capital position but is a terrible producer. I could run rings around him as a producer.' However, the viability test will say that he is more viable. As I said, people say that the QRAA loans are available to those who do not need them, but they are not available to those who do need them and there is a thin wedge in between.

For three years, at the commencement of the drought when I initially came into this place, I politely asked the government whether we could do more as there did not seem to be any take-up of the drought concession loans. The advice from DAF to the government—and I blame DAF more than the government—was that they were doing a good job addressing the drought with the drought concession loans. After a few years of being polite, I came to realise what was really happening. By December 2014, I saw some numbers. They said that out of the 268 drought concession loan applications for my electorate of Mount Isa, four were granted. Four out of 268 and you wonder why people get angry! For three years we were told that they were doing their job. Out in those areas people are committing suicide and people in the towns are struggling and, while the government was telling us that everything was all right, four loans went out. Is that the solution? Nothing is changing now, but there needs to be change. We are trying to offer something different because the concession loans did not work. All we have been limited to is QRAA loans. If you already agree with the principle, follow it through and do it properly.

The metrics of the QRAA stuff does not work in my area. There could be a lot of rational reasons for that, for example, there are not many financial councillors out there. The long and short of it is this: the limit of the loans started off at $600,000 and will now be up to $2 million. I am told, and this is only anecdotal, that in my area the average debt is $3 million to $4 million, so most people say, 'That is a nice gesture, but don't bother'.

I want to paint a picture for members. Let us say that I am a farmer with a $3 million loan. I have been working hard. I have done a great job using industry best practice. However, there have been revaluations in the area and the bank has said, 'Sorry, Rob, we are putting you up to 10 or 12 per cent'. For this example, let us say it is 10 per cent. That means that I am paying $300,000 per annum on my loan. Under the existing drought concession loan arrangements, I can get up to $2 million at the concession rate, which means I will be paying $170,000. That is not a bad saving. However, if we adopt the bill before the House tonight, we can take a first mortgage over that property and get that figure down to $88,000 a year, which is an immense difference. That money is not paid as interest to the bank. It does not go to Westpac or ANZ. It is freed up money that the grazier gets to keep. He will spend a large portion of that in the town. There is your answer right there. That is the answer. Everything else is tinkering at the edges, but that is the crux of what we are trying to achieve.

It is important to point out to members that this bill does not compel the government to do anything. It provides a mechanism for QRAA to operate outside the existing constraints so that they can operate. We must not discount the importance of this as the signal of an intention to act. We can all talk about how it would be good if we did more. People have said that we should be doing something and that this is a good idea. This is an opportunity to lay a platform. I am not saying that we should start a new agriculture bank. We are trying to meet in the middle with a compromise by saying let us signal an intention to act. That is fairly discreet. It is not a big jump for people. I have not prescribed in detail a particular course of action from the arm of QRAA. It can be funded and delivered in a number of ways. Quite frankly, the government is simply setting itself up as a target for all the detractors who will pull it down. We just need to signal an intent to act and create that mechanism, so that, if the parliament agrees, the government has the opportunity to use it.

The systemic failure in the agricultural industry has resulted in unsustainable levels of debt that are choking industry. Let me be clear that this bill does not provide a single solution. This is not a case of 'pack our bags, we have fixed things'. This is about arresting the decline in the industry and providing a base to build back to prosperity.

This could be seen as a mechanism to help people when they are down. I would like to think of this as a way to empower an industry that still has a lot of potential to offer the state. The industry participants have a lot to offer the state. This would give farming families the opportunity to again create wealth for the state. They are hamstrung at the moment by rural debt. It is not just people who bought properties and expanded their businesses. People are held back by debt. Let us empower them to build our economy again.

In this debate we need to address the failure of banks and the role they have played in this. I believe very strongly that there should be a banking royal commission. I am not going to stand here for a second and say that the industry participants—in my area the cattle producers—did not play a significant role in getting to where we are. Many people were excited by the upturn in the market and money was flowing from the banks like confetti. People liked to take the opportunity. In many cases, the behaviour of the banks was abhorrent. Their actions in picking up the pieces and helping people from that point on have fallen well short and are not commensurate with the level of responsibility that they have.

There is strong evidence that there are people out there who fall into the category of stressed loans. They are good producers who have fallen into the stressed loan category. Once they are blackballed by one bank, no other bank will take them on. It is important to remember that. It is not a matter of people shopping around. Once they are blackballed by the banks they are gone. QRAA is not the one to go to after that. It is rarely a safe harbour from that point on for those people.

I accept the idea that creating a lending institution and putting it back in the ether is abhorrent or deplorable to a lot of members here. Anyone who went to university in the last 20 years, including me, was taught that this is silly business—governments do not have a role in this anymore. I dearly wish that people would challenge those attitudes once in a while and look at the evidence of those policy settings and what effect it is having. They are falling short of delivering on so many aspects—social aspects and economic aspects—and from a food security point of view.

The only thing the hands-off approach will deliver—which, I might add, is rife within DAF in terms of the advice they give—is a continued decline in family owned businesses and a concentration of market power in a smaller number of corporate players in this space. That is happening now. It is real out there.

We have seen what happens when governments are too weak to play their role in the market. We have all but lost the dairy industry. Our sugarcane farmers are up against the wall. We have lost our international competitive advantage with cheap gas, and manufacturing and processing are no longer feasible industries in Australia.

The writing is on the wall, yet we continue to avoid the hard fact that the government must intervene once in a while to protect its industries and win the battle against our international competitors. I think it is important to reflect at this point that the OECD average subsidy in agriculture is 41 per cent over three years and in Australia it is six per cent. Everyone is saying that we are propping up the farmers. They are already behind. They cannot see the opposition out there in front of them. Companies can come into our country with subsidised capital, smash our local farmers out of the market while we are cheering them on, and we cannot get the smallest bit of support which we are advocating for tonight.

The foreign ownership argument is an important point to acknowledge in this debate. Foreign ownership gets debated on the basis of xenophobia. It is said to be all about the Chinese taking over Australia. To me that is not what it is about. This is what the foreign ownership debate is about to me. I would love to own a cattle property one day, but I do not get subsidised capital. I cannot get money at one or two per cent like others can from Chinese institutions and some American institutions. Their governments give them subsidised capital to come over and compete with our farmers. We will not even give our farmers the slightest bit of support and give them an Aussie go to hang in there. If someone is a purist and they do not believe in intervention, then they are cheering these guys on.

We also have to think about the balance of payments. We are inviting all these foreign owners to come in and buy our land—which is happening now—and take the profits overseas. I wonder who is doing the sums or keeping count of the Australian businesses that are buying overseas enterprises and bringing the profits back to Australia to counter and balance what is happening here? Perhaps it is not an issue. I think it is an issue. Someone should be keeping count of that and at least acknowledge if it is a problem. I think it is a problem. How do we arrest the problem? Perhaps we can give people the slightest bit of subsidised capital. That is what we are talking about tonight.

This is not a new concept. Throughout our history in Australia we have come up with the same solution and it has been done very effectively. The Reserve Bank had a role in rural credit from 1925 to 1988. We had the Commonwealth Development Bank. The Agricultural Bank of Queensland was established in 1902 and continued operating until 1986. We had the Commonwealth Rural Reconstruction Commission from 1971 to 1986. The QIDC, the Queensland Industry Development Corporation, operated from the 1986 to 1996. Now we have QRAA. These are not new ideas. They have been tried and tested.

The government sold QIDC to Suncorp-Metway for $1.3 billion. People tonight are going to say that this is too much debt for the government. We have done it before and we sold it for $1.3 billion. I would say that that is a bit of a windfall for the taxpayer, not a cost.

I spoke to someone who chaired the QIDC for five years. For all those people who say that we would create a lending portfolio for failed businesses, I point out that they did not have one default in five years in agriculture. They were the second biggest lender in Queensland at the time and they did not have one default. We can capture enough good viable industries and put them back on their feet, hand them back to the banks afterwards or keep them in on the books like QIDC did and make some money off them. This has been done before. That is the main point I would like to make.

The Rural Debt and Drought Taskforce toured around Queensland trying to capture a sense of whether this applied in other areas. Without boring people with too much detail, it did not tell me anything new. I am sure everyone who was there got a sense that there are systemic problems and that they well surpass the cattle industry. They are widespread and they are systemic and they are filtering through our towns. They are crying out for help in rural and regional towns. They need a big tool to try to address this problem.

A case in point for me is the Hughenden shire. Not only have they been hit by the rail cutbacks but their population decline has been 0.6 per cent over the last 10 years. That is a cattle town that is in decline. These places are fighting for survival. They are going backwards. Their main industry is cattle and anything else is largely secondary to that.

An interesting thing to reflect on is that QIDC was the most recent instrument that we had in Queensland. It was operated by a number of governments of different political persuasions in this parliament. It was sold off by the government in the 1990s for a healthy sum. Even in today's policy climate, governments provide targeted investment in key industries. An example is the Clean Energy Finance Corporation. They will invest over $2 billion in a number of different programs. That is the government saying, 'We want to stimulate investment and activity in renewable energy. We are happy to create a bank.' The federal government, endorsed by both sides, was happy to create an investment bank to stimulate activity in renewable energy. It is a good idea. I am all for it. Why can't we do it for agriculture? Why would we vote against this tonight when we are advocating doing for agriculture what we have done for clean energy?

The Australian Renewable Energy Agency has $2.5 billion in funding until 2022. The Northern Australia Infrastructure Facility has $5 billion in concessional loans to stimulate investment activity. We will do it for the big guys. The big guys are welcome to the $5 billion but, when it comes to the little guys on the ground, 'That is interfering in the market and you can't have access to that. We don't believe you can do it.' I believe in the Clean Energy Finance Corporation. It is good to stimulate that sector, but it is also good to stimulate agriculture. I think it is a very hypocritical position to not endorse doing the same thing in this state for agriculture when we are already doing a clumsy version of the same thing. We already have drought concession loans out there which are a clumsy attempt to do the same thing.

I might add that exceptional circumstances dropped out of agriculture some years ago. There was dialogue from the banking industry at the time that said, 'Government, you are going to have a big problem here because without that there are going to be foreclosures and there will be a wind back in the industry.' That is what we are seeing now. It is playing out exactly as predicted and nothing has come in to save it. We are advocating for something to come in and save it tonight. Let's see how people vote. We are putting something on the table. It is not forcing us to do anything. It is just providing a mechanism that we can follow. If we cannot do that, what are we on about? Please go and tell those people out there in my electorate and in western areas that you failed to help them. You had the opportunity tonight to provide a big solution to this big problem but what did you do? I am talking about 'you' personally, not your party. What did you do to help?

Agriculture is a key part of Queensland's economy. It is not everything, but it is a big part of it and we cannot ignore it. It is suffering ill health. Unfortunately, we are just ingesting this ridiculous zealotry in economic policy in this state and in this country that says, 'Government does not touch anything.' We passively observe industries as they collapse but do not really go in there and help them. There is so much reluctance even with getting these drought concessions loans out the door. I think that makes everyone cringe. There is so much reluctance to help.

We sold QIDC for $1.3 billion. You talk about debt—and that will be the argument that will be put up here tonight, that you just cannot expose the government to this sort of debt. We are happy to expose the government to debt on other infrastructure items. We are happy to build sports stadiums or traffic tunnels or bridges in town, but we cannot provide loans to productive industries that generate economic activity. These are typically stand-alone industries that need a reset and a leg-up, and we have the opportunity to make money out of them in the future.

Please tell me a more cost-effective way for the taxpayer to help those industries out there that will give back to the people of Queensland, as the sugar industry did after QIDC was started. That is why the QIDC was started—to help the sugar industry at the time. Think of the billions of dollars it has pumped back into the Queensland economy. The sugar industry did not need it any longer. I might add that many people who contributed to the Rural Debt and Drought Taskforce said, 'We don't need help now, but I tell you what: my father got help from the agricultural bank back in the sixties and I am here now. I have built the business up. I employ people. I put money back into the town. We are so grateful to the government for helping us back then. We don't want any help now, but we really hope that this government will help people now like us who will contribute to our economy into the future.' That is what we are giving an opportunity to do tonight.

I can understand Labor's position tonight. I am unhappy that there is another bill that has been brought in over this bill. Farm debt mediation and some of those aspects are fine. I do not disagree with them, but they fall hopelessly short of addressing this very real problem. I will be very interested to see through the course of this debate the position of the opposition, because I cannot see any reason for not backing something that provides an opportunity for the economy and that serves agriculture and the towns in western areas. I have been searching for years for an answer to try to help these western towns. This is the best I can come up with as one big solution and I am asking for help here. Members should make their decision, but they should think hard about the decision that they make because we are asking for help. We are putting something on the table. I have been very open about what we are trying to do and I have been very open about amendments to enhance it, but it is very important that there is a separate entity that operates outside of QRAA so that they can access funds externally if they choose and relend it out.

I did miss an important point earlier. The APRA guidelines are a very big factor in this. The APRA guidelines dictate the terms under which the banks—deposit-taking institutions—operate. I might not have expanded. I did not buy any cattle properties in the boom. I am out there doing my best, but they revalued all the stations in my area and I am suddenly classed as a stressed lender even though I have never missed a bank payment. I am suddenly on 10 or 12 per cent because APRA said so. I have had bank managers say, 'Rob, I would never have put you on 10 per cent—I know you will live in a tent before you stop paying your interest—but I have to, mate. These are the APRA guidelines.' I have had interactions with banks. I was there with the Treasurer at the banking round table. They said, 'APRA guidelines are a problem. We really think there needs to be an alternative lending model out there because we have hit a brick wall.' There have been banks saying straight out in public, 'We need the government to bring something to the table. This is a big problem.' One of the banks has said, 'We were part of the problem. We admit that, but there is a big problem and we need the government's help.'

I am not the only person saying this. I am going to quote Senator Matthew Canavan from one of the rural valuers conferences. At the end of his speech he said—

Likewise, I think there is a role for government to provide loans to graziers on a more permanent basis to encourage competition in the rural lending market, and encourage farmers to invest in better risk management practices, including through insurance. Some of these ideas are being discussed through the agriculture white paper process.

The last sentence is a bit pointless, but the point is that there is all of this rhetoric. Everyone will go out there and have town hall meetings and say, 'Yes, we agree. We have to do something. We definitely need an alternative lending model.' We have one here tonight. It is not rebadging QRAA but actually creating a mechanism that can function as an alternative lending model. We have put it on the table. It has been there for six to 12 months to amend, to adjust. Members can vote for it or not. I dearly hope members think very carefully about the way they vote on this. I will be very interested in it. This is a very personal issue for Shane and me. It will be a tragic wasted opportunity if this parliament cannot support something like this to empower the towns and businesses in western areas. If we cannot do things like this, there is little hope: there is a very grim future for the structure and make-up of those towns and the industry as we know it today.

I urge members to strongly consider how they vote on these bills tonight. I do not disagree with some of the things that will be put forward tonight by both parties, but they fall hopelessly short of what the real solutions are. We will be voting accordingly. I hope that honourable members acknowledge that there is a big problem here. There is a very big problem and it needs a big solution. If they have something better, they should put it on the table. The alternatives that are out there now are hopelessly short. I commend my bill to the House.