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Benn and Robyn Brown

29TH January 2014

Submission: In support of the Reserve Bank Amendment (Australian Reconstruction and Development Board Bill)

My husband and I attended the Hughenden Forum on 11 December 2013 which supported the establishment of an Australian Reconstruction and Development Board, with the aim of advancing agricultural finance and debt alleviation issues.

Several resolutions were passed at that meeting, which was attended by more than 60 people, mainly graziers, with some from the banking industry attending.

We call on the Federal Government to commit to the provision of a reconstruction model capable of financial stabilisation of rural Australia and the reduction of rural debt.

We also ask the Federal Governments and Banks to immediately enact a moratorium on forced farm sales until effective action is taken, and solutions found, as a result of resolutions passed at this meeting.

Another resolution was passed, that the State and Federal Governments commit to a drought assistance scheme for agricultural businesses providing

- a. Exceptional circumstances provisions
- b. Low interest loans at RBA rates
- c. Immediate introduction of Centre Link payments for farming families, without means test.
- d. These need to be in place by 1st Feb 2014

Bogunda has been in the Brown family for over 100 years (five generations) and if something is not done to address the rural debt situation there will not be a sixth generation.

We have rain records for Bogunda since 1905 and 2013 has been the driest year on record by 2.5 inches, which has hit us hard as winter rain destroyed our feed in 2012.

We bought a small property seven years ago down south to build a feedlot, as a drought strategy, but with low prices and the glut of cattle on the market due to the live export market being closed and expenses rising all the time, not to mention the flooding in the southeast corner costing us a lot of money as a lot of our block went under water – twice, we have not been able to pay off any debt towards our drought-proving strategy.

As Bogunda will be totally destocked within a month – there is now no prospect of an income from Bogunda for the next two years.

Without this strategy being taken up by the government there will be another family property gone.

I urge the Standing Committee on Economics to support the Reserve Bank Amendment Bill, for the sake of the agricultural industry across Australia.

Yours sincerely

Ben and Robyn Brown