

CANEGROWERS Mackay applauds Government's response to BRC recommendations

CANEGROWERS Mackay today is applauding the Federal Government's positive response on behalf of agriculture, to the Banking Royal Commission's recommendations.

CANEGROWERS Mackay Chairman Kevin Borg called for the Government to ensure the recommendations were swiftly implemented to provide genuine protections for farmers who are not able to negotiate with banks on a level playing field. Mr Borg said that the largest reform needed for farmers in the Mackay and Plane Creek districts was stronger protection during the recovery phase after natural disasters.

"This is particularly important now given the districts are facing a threatening monsoonal trough travelling slowly south. While we are hopeful Nature will be kind and bring us continuing gentle rain for an improved cane crop in the months ahead, the experience of our neighbours to the north in terms of wind and flood damage is not positive," Mr Borg said.

"We look forward to the Government's commitment to ensuring banks are reined in when it comes to charging penalty default interest charges on farmers who are struggling to recover their businesses after natural disasters," he said. "We particularly look to the Government to strengthen the mediation process to ensure it is a genuinely supportive framework for the farm business's recovery, rather than a quick pathway to foreclosure. The appointment of receivers should absolutely be a last resort."

Mr Borg said that Mackay/Plane Creek cane farmers, like all farmers, were heavily dependent on the banking sector and it was pleasing to see that the Government had recognised that banks held all the cards in negotiating financial outcomes with growers.

"Agriculture can be confident in the recommendations which are a great outcome. The Government has recognised the need for additional financial protections, given the volatility of commodity markets and the extremes of weather which we face as farmers.

"It is now up to all sides of Parliament to lend bipartisan support to implementing the recommendations so that agriculture's trust is not eroded and we have a sound basis for negotiations with the banks moving forward."

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