

**ROBBIE KATTER**

Member for Traeger



## MEDIA RELEASE

February 5, 2019

### HAYNE'S REPORT STRENGTHENS CASE FOR RURAL BANK

State KAP Leader and Member for Traeger Robbie Katter has warned the State Government it has serious lessons to learn from the release of the Hayne's Report, particularly regarding the need for a state-owned Rural Development Bank.

Mr Katter said while North and North West Queensland were now battling floods of epic proportions, the haunting memories of the past eight years of drought that crippled the bush were not too far from anyone's mind.

"One of the most definitive answers to the issues raised from the Royal Commission into Banking is the establishment of a Rural Development Bank," he said.

"The operations of existing banks in Australia leave a large gap in the market for banking in rural and development areas.

"Furthermore they don't have the flexibility or enough of a long-term outlook to accommodate the ups and downs of agriculture nor the discrimination against remote post codes.

"So long as there is a substantial gap in the market you will continue to have failures on both ends of a loan facility."

In 2016 Mr Katter introduced into Queensland Parliament the Rural and Regional Adjustment (Development Assistance) Amendment Bill 2016, which was devised from the recommendations of the Rural Debt and Drought Taskforce.

It was aimed at establishing a concessional lending facility for farmers (also known as a Rural Development Bank) that was more effective than the existing drought concessional loans.

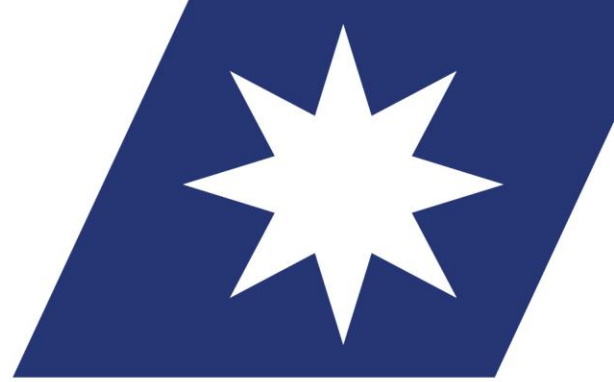
Despite interest from banks in the facility, a history of similar schemes operating well in Queensland and Australia and the potential for significant benefits to the taxpayers, Labor and the LNP voted down the bill.

Mr Katter said without government intervention in the rural banking sector, the state's rural industries and communities would remain condemned to a path of crisis in future.

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“There is no need for me to bang on further about the drought, we all know what it has done to our state, our industries and our communities – we may be seeing ‘drought-breaking’ rain now in some parts but we all know drought will return,” he said.

“For some, especially those in central Queensland – drought is still the defining feature of their lives.

“The KAP will not stop on this issue until it is delivered as the Rural Development Bank is essential for the future of sustaining jobs and industry in rural areas.”

**—ENDS—**

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