



Supporting Queensland Industry

Interest rates cut to boost Qld's Ag Sector

Minister for Agriculture, Fisheries and Forestry, John McVeigh, has announced an interest rate cut for the Queensland Government's First Start and Sustainability Loans, stimulating further investment and support for Queensland's agricultural sector.

The new fixed interest rates for loans drawn down from 1 July to 31 December 2012 are 4.24% for one year, 4.26% for three years and 4.52% for five years.

"The cut in interest rates is great news for Queensland producers because it will help them invest in infrastructure improvements, land purchases and equipment, leading to more sustainable primary production," Mr McVeigh said.

"There will also be wider benefits for rural and regional Queensland over the long-term."

"I encourage Queensland primary producers to take advantage of QRAA's low interest rates and secure their farming future with the help of a First Start or Sustainability Loan."

First Start Loans of up to \$650,000 are available for applicants who want to enter primary production or become a partner in an existing family operation.

Sustainability Loans of up to \$650,000 are available for primary producers wanting to improve productivity and sustainability.

Mr McVeigh said First Start and Sustainability Loans had no set up or exit fees, repayment terms of up to 20 years and offered the option of joint lending with commercial banks.

"We have seen the confidence of primary producers pick up over recent months with the loans being a popular source of finance for eligible primary producers," Mr McVeigh said.

"Over \$60 million in loans approved in 2011-12"

In the 2011-12 financial year, QRAA has approved more than 190 First Start and Sustainability Loans valued at over \$60 million. This is more than double the approved figure of \$26 million

in 2010-11.

"For anyone considering a First Start or Sustainability Loan, QRAA's Client Liaison Officers are available to meet on-farm to discuss the loan criteria, terms and conditions and the application process," Mr McVeigh said.

For further information on loan benefits, terms and eligibility criteria **Freecall 1800 623 946** or visit www.qraa.qld.gov.au. ■

Interest rate drop

1 year fixed 4.24%
3 years fixed 4.26%
5 years fixed 4.52%

Rates apply to First Start and Sustainability Loans drawn down from 1 July 2012 to 31 December 2012.

Disaster assistance extended

Grants up to \$25,000 for 2011 and 2012 disaster events now close 31 October 2012

Are you looking to enter into primary production or expand your current enterprise? Talk to QRAA today.

Better productivity = better bottom line

4.24% is a really low rate...

Succession planning makes good business sense...

No set up or exit fees means more money in my pocket...

Inside

First Start and Sustainability Loans.....	2
Disaster recovery assistance.....	4
Corporate Focus.....	5
Regional Focus.....	6
Industry Focus	8

First Start and Sustainability Loans



\$60 million approved in 2011-12

In the 2011-12 financial year, over \$60 million was approved in First Start and Sustainability Loans to more than 190 Queensland primary producers. This is more than double the approval figure of over \$26 million achieved in 2010-11.

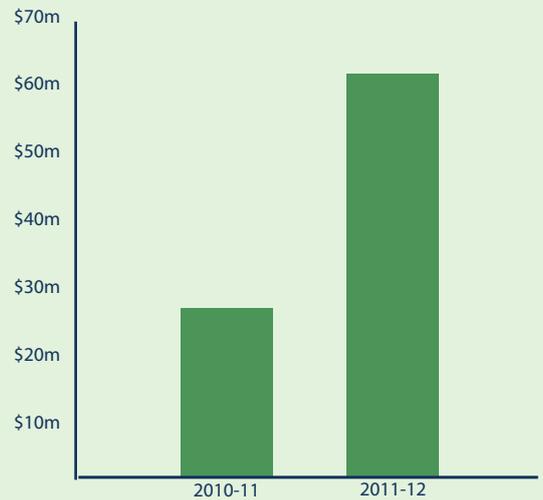
Queensland beef cattle and sheep producers represented 58% of the approvals for the First Start and Sustainability Loans followed by mixed farming/other and sugar producers at 18% and 17% respectively.

First Start Loans of up to \$650,000 are available for applicants who want to enter primary production or become a partner in an existing family operation.

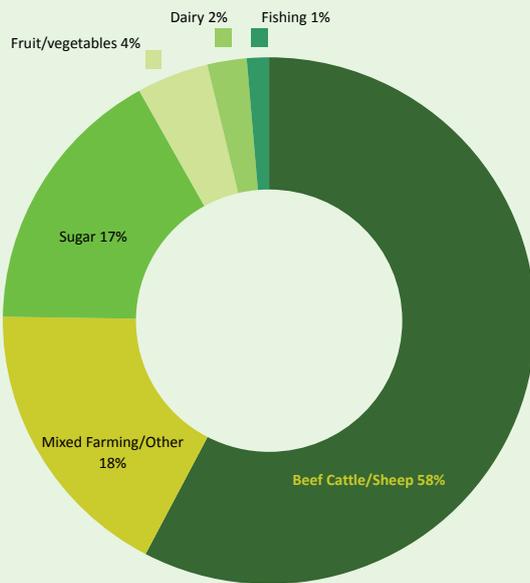
Sustainability Loans of up to \$650,000 are available for primary producers wanting to improve productivity and sustainability.

If you can demonstrate a financial need for a QRAA loan, make a change for the better and contact QRAA today on **Freecall 1800 623 946** or visit www.qraa.qld.gov.au. ■

First Start and Sustainability Loans approved (\$m)



Loans approved 2011-12 (breakdown by industry)



Farming success with QRAA loans

Staying on the land

"For nearly four years now, QRAA has been assisting us to enhance our productivity on our cattle grazing property Olive Vale, near Alpha.

"We strongly believe that QRAA are there to assist people on the land in so many different ways.

"It is wonderful to see that a government organisation actually cares about people out in the bush and wants to see them not only stay on the land but also become as productive and effective as they can be in doing so."

Sarah and Phillip Bridgeman, Alpha

QRAA... Here for a changing landscape

Life on the land is not without challenges. So if you need finance to make a change for the better, consider QRAA's First Start or Sustainability Loans. With no set up fees, no exit fees and no hidden costs, we have the loan to best suit your needs.

Loans up to \$650,000 | Low interest rates | Up to 20 year repayment terms

Freecall 1800 623 946 to arrange a meeting with your local client liaison officer.



Secure your future with a little help from QRAA



Hard work and a helping hand pays off...

Tony and Lyn Grabbe's dream was to own a large, successful pastoral cattle operation, and with a lot of hard work, a few obstacles, and support from QRAA they can now proudly say they are on track to achieve their dream.

The Grabbes met when they were just 16. Tony was already pursuing his desire to run cattle - rearing poddy calves on his parent's citrus farm.

"Our family shares a motivation to live on the land."

"We love the challenges and rewards that farming presents, undertaking different jobs in an ever-changing and natural setting and working together," Mrs Grabbe said.

After the devastating drought the couple experienced on their property in Roma, they felt it was time to sell their cattle and with the helpful advice from their son Leon, used the money to adapt to the drought conditions by farming goats.

In 2005 the Grabbes obtained a QRAA Sustainability Loan to purchase a property near Gin Gin and capitalise on the higher rainfall to grow crops and fatten cattle.

"After leasing a 5000 acre property at Mondurran it was a relief to purchase a permanent property," Mrs Grabbe said.

"QRAA wins hands down for people who are serious about farming.

"Their loans offer low interest rates, no fees or charges and are very approachable.

"This assistance allowed us to make good progress towards achieving our ultimate goals.

"We have confidence in QRAA and that they want our farm to succeed," Mrs Grabbe said.

After the Queensland Floods in 2011 damaged internal roads on the Gin Gin property, the Grabbes secured a Special Disaster Assistance Grant from QRAA to repair the damage.

"QRAA wins hands down for people who are serious about farming"

"The grant assistance allowed us to recover quickly from the floods by repairing the roads on our property so we could move our trucks to and from our stockyards - which is very important for our operations," said Mrs Grabbe.

Once they were back on track, QRAA's Client Liaison Officer from Bundaberg, Mark Barrett, visited them to discuss the next stage of their plans and the availability of further Sustainability Loan assistance.

"Mark came to our home and patiently listened to us and gave solid and dependable advice - he helped us open doors we didn't know were there," Mrs Grabbe said.

After further consultation and having proven their physical and financial management abilities, the couple purchased a 50,000 acre sheep and cattle property near Cunnamulla with a joint loan from QRAA.

"This is the property that Tony and I have lived for - it is such a wonderful feeling to be where we are now," Mrs Grabbe said.

For more information on assistance available through QRAA, please contact **Freecall 1800 623 946.** ■





Special Disaster Assistance Grants extended



Deadlines extended to 31 October 2012

On 20 June 2012, the Minister for Agriculture, Fisheries and Forestry, John McVeigh, announced an extension of the deadline to Special Disaster Assistance Grants for primary producers, small businesses and non-profit organisations to 31 October 2012.

“These schemes provide grants of up to \$25,000 to eligible primary producers, small businesses and non-profit organisations to assist with clean up and recovery activities,” Mr McVeigh said.

“Industry has told us some producers haven’t been able to complete these works by the 30 June cut off date because of ongoing wet conditions or an inability to secure contractors.”

The extension applies to the following disaster events:

- Queensland Floods (Nov 2010 – Jan 2011)
- Tropical Cyclone Yasi
- Western Queensland Tropical Low

The extension will be a welcome decision for

those who have been unable to complete their recovery and restoration activities before the previous cut off date of 30 June 2012.

QRAA Chief Executive Officer, Colin Holden, said extending the closing dates for Special Disaster Assistance Grants will allow QRAA to help more Queenslanders recover from the disasters.

“To date we have approved over \$212 million in special disaster assistance to primary producers, small businesses and non-profits directly affected by the Queensland Floods (November 2010 – January 2011), Tropical Cyclone Yasi and Western Queensland Tropical Low,” Mr Holden said.

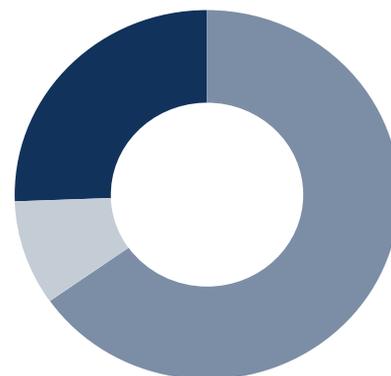
A grant of up to \$25,000 is available as follows:

- an initial claim up to \$5,000 to assist with immediate recovery costs
- a subsequent claim of up to \$20,000 to recover costs that have been paid to repair direct disaster damage

For more information contact QRAA on **Freecall 1800 623 946** or visit www.qraa.qld.gov.au.

\$212 million approved in 2011-12

Assistance approved (\$m)*



- Exceptional Disaster Assistance (loan/grant package up to \$650,000)
- Special Disaster Assistance (grants up to \$25,000)
- Natural Disaster Assistance (loans up to \$250,000)

This is a joint Commonwealth/Queensland Government funded assistance scheme under the Natural Disaster Relief and Recovery Arrangements (NDRRA)

AgForce supports QRAA's contribution to agriculture

AgForce has a long association with QRAA and values the support it provides to rural and regional businesses and communities.

This support, in the form of loans, grants and rebates helps contribute to the productivity and sustainability of Queensland's agricultural sector and support community recovery following natural disaster events.

QRAA's First Start and Sustainability Loans have been a popular source of finance for some AgForce members.

The loans help to create greater efficiencies within their enterprise (e.g. property build-up and infrastructure upgrades) and as a means of succession, bringing the next generation into farming enterprises.

The AgForce roadshows that were coordinated in the wake of the 2011 natural disasters assisted

QRAA in delivering timely and targeted financial assistance to support primary producers with their clean up and recovery efforts.

AgForce also provides QRAA and the Queensland Government with intelligence and feedback on current and emerging issues affecting rural producers.

These insights help inform government policy decisions and help QRAA's assessing teams maintain up to date knowledge on the challenges and opportunities facing Queensland producers.

QRAA Chief Executive Officer, Colin Holden, values the organisation's strong relationship with AgForce.

“AgForce State President, Brent Finlay, was one of the first industry leaders invited to brief QRAA assessing teams about the issues facing AgForce members,” Mr Holden said.

“Their ongoing support has been invaluable.

“The QRAA regional network of Client Liaison Officers also maintain close links with AgForce teams across Queensland and we regularly attend AgForce regional meetings and conferences to ensure we stay up to date.”

The partnership between AgForce and QRAA is set to continue in 2012, with QRAA attending the AgForce State Conference in Charleville on 10 – 12 September.

For more information contact QRAA on **Freecall 1800 623 946**, visit www.qraa.qld.gov.au or contact AgForce on 3236 3100 or www.agforceqld.org.au.



Ground breaking year for QRAA



CEO's corner

2011-12 was a ground breaking year for QRAA.

During 2011-12 we approved more than 28,000 applications totalling over \$285 million in financial assistance across all loan, grant, rebate and subsidy programs. This compares with over 24,000 applications and \$196 million in 2010-11.

This high level of activity reflects the ongoing need for natural disaster recovery assistance, record breaking demand for First Start and Sustainability Loans and continuation of the high volume Solar Hot Water Rebate Scheme.

QRAA staff worked tirelessly across all corners of the state to deliver over \$212 million in much needed disaster recovery loans and grants to more than 12,000 primary producers, business owners and non-profit organisations.

For the first time in our history, we also approved over \$60 million in First Start and Sustainability Loans to new and existing primary producers. This is more than double the value of loans approved in the previous year. The interest rate drop announced in July 2012 is expected to stimulate further interest and investment in Queensland agriculture during 2012-13.

QRAA continued to manage the high volume Queensland Government Solar Hot Water Rebate Scheme and approved more than 16,000 applications and over \$11 million in rebates as at 30 June 2012.

In 2011-12 QRAA reaffirmed its reputation as specialist administrator of government financial assistance programs - QRAA will continue to be flexible and responsive to Government priorities during 2012-13.

Until next time...

Colin Holden
Chief Executive Officer

QRAA's achievements 2011-12

- ✓ Over 28,000 applications approved totalling more than \$285 million in financial assistance
- ✓ Over \$212 million in Natural Disaster Relief and Recovery Arrangement assistance approved to over 12,000 primary producers, business owners and non-profit organisations
- ✓ Over \$60 million approved in First Start and Sustainability Loans
- ✓ Over \$11 million approved under the Solar Hot Water Rebate Scheme



QRAA's service offering receives top marks

QRAA's service standards and expertise have been acknowledged in a 'Program Owner Survey' undertaken to gauge government satisfaction with services provided by QRAA.

The online survey of government departments who used QRAA in 2011-12, found that 100% were satisfied or very satisfied with QRAA's service.

The results represent a 10% increase in satisfaction levels compared to the 2011 survey.

QRAA Chief Executive Officer, Colin Holden, said that QRAA places great importance on its relationships with government departments and was pleased with the positive survey results.

"All survey respondents indicated they would recommend QRAA to other agencies and agreed that QRAA provides a professional, efficient, reliable, trustworthy and responsive service," Mr Holden said.

"This acknowledgement further cements QRAA's role as a specialist administrator of government financial assistance programs and is indicative of the breadth and quality of the services that QRAA can provide to government," he said.

"professional, efficient, reliable, trustworthy and responsive service"

For more information on the suite of administration services that QRAA offers contact QRAA on **Freecall 1800 623 946** or visit www.qraa.qld.gov.au. ■

QRAA...trusted administrator of financial programs



Community events calendar



Beef Australia 2012 wrap up

The triennial Beef Australia event held in May this year attracted over 85,000 local, interstate and international visitors in a celebration of all things "Beef".

QRAA's attendance at Australia's largest beef exposition did not go unnoticed, receiving a record number of enquiries from beef producers looking to enhance the productivity and profitability of their primary production enterprise.

QRAA representatives had the opportunity to meet with producers from across the state to discuss the issues faced by cattle graziers and ways in which QRAA can assist them meet the challenges of the industry.

QRAA Chief Executive Officer, Colin Holden, attended the week-long event and praised the organisers for creating a unique platform for producers to collaborate and develop new innovative opportunities for growth.

"personalised service at regional events"

"The information provided was thought provoking with the strength of overseas markets providing a positive outlook for prices over the next couple of years," Mr Holden said.

Visitors who met with QRAA representatives were keen to discuss QRAA's low interest First Start and Sustainability Loans and identify how they can assist progressive beef enterprises.

"QRAA's presence at Beef Australia provided visitors with the opportunity to bring partially completed applications and business plans for direct feedback prior to submission, making the application process even easier," Mr Holden said.

"The positive outcomes of the event are evident with a number of loans already approved to producers who met with QRAA representatives at Beef Australia."

"We are pleased to be able to offer producers such a personalised service at regional events through our statewide network of Client Liaison Officers," Mr Holden said.

For further information on loan benefits, terms and eligibility criteria, or to make an appointment to meet a QRAA CLO **Freecall 1800 623 946**.

Upcoming events

Come and meet with a QRAA Client Liaison Officer:

► August

14 - 16 **Australian Cotton Conference**
Broadbeach, Gold Coast

QRAA Temporary Offices

21 Mundubbera
22 Goomeri

► September

4 - 6 **Toowoomba Ag Show**
Toowoomba Show Grounds

10 - 12 **Agforce State Conference**
Charleville Racecourse Complex

QRAA Temporary Offices

18 Gympie
26 Blackbutt

► October

QRAA Temporary Offices

2 Emerald
3 Rolleston
4 Theodore
5 Biloela

For more information **Freecall 1800 623 946** or visit www.qraa.qld.gov.au



News from our regional Client Liaison Officers...



Geoff Kerr
Longreach

Innovative ideas

Widespread enquiries are being received for Sustainability Loans to support remote management of pastoral grazing and efficiency improvements.

Remote management of watering points and other forms of telemetry are helping to manage stock access and identification of feral pests.

The recent Northern Irrigators Conference held in Hughenden highlighted how similar technology can be used in irrigation systems e.g. micro climate telemetry is supporting producers to set pumps and flow rates remotely.

P: 07 4658 2879 M: 0417 775 345
geoff.kerr@qraa.qld.gov.au



Zoe Burke
Toowoomba

Cotton and dairy

Significant increases in the amount of cotton grown throughout the Darling Downs was recorded this past season. Yields in many areas were strong as farmers took advantage of excellent prices and soil moisture to boost earnings.

The same is not expected for next season with prices falling 30-40% on those achieved last season. Current estimates are that only 10% of the potential crop for next season has been sold forward.

The dairy industry also continues to deal with pricing issues. While overall milk sales have increased, prices to dairy farmers have been reduced in the latest round of contract negotiations between dairy producers and milk processors.

P: 07 4634 8987 M: 0427 690 448
zoe.burke@qraa.qld.gov.au



Peter Crowley
Mackay

Strong loan enquiries

First Start and Sustainability Loan enquiries continue to be strong, particularly in the Burdekin region. Established farmers have seen the advantages of the Sustainability Loans for increasing the size of their enterprise and for improving the productivity of their operation through better cropping systems and irrigation.

Potential applicants are advised not to self-assess and contact QRAA to discuss their individual circumstances and find out how the loans can best suit their needs.

The sugar cane crush is underway and many successful First Start Loan applicants are currently undertaking their first cane harvest amid reasonable prospects for the industry.

P: 07 4967 0728 M: 0427 770 147
peter.crowley@qraa.qld.gov.au



Mark Barrett
Bundaberg

First Start enquiries

The Wide Bay and Burnett have seen an increase in First Start Loan enquiries from the children of primary producers who are using stable off-farm incomes to help support their initial purchase of a primary production unit. Successful applicants are clearly outlining how they will progress to become a full-time viable primary producer within their management plans.

Producers are also showing interest in the Sustainability Loans to improve irrigation efficiency and drive profitability and sustainability. QRAA loans provide a cost effective finance option to capitalise on infrastructure improvements that reduce labour and enhance productivity.

P: 07 4154 2874 M: 0417 775 547
mark.barrett@qraa.qld.gov.au



Brendan Hamilton
Rockhampton

Temporary offices

Enquiry for QRAA First Start and Sustainability Loans has been exceptional following Beef Australia 2012, Ag-grow field days and a range of temporary offices throughout central Queensland. Over 150 people visited QRAA at Beef Australia 2012 with many of them subsequently applying for loans.

Increased interest in loans in previously flood affected areas of Emerald and Rolleston is a good sign that recovery is well in hand. Producers are now looking at how to better maximise their production.

The next round of temporary offices throughout central Queensland, are to be held in October. Bookings can be made by calling **Freecall 1800 623 946**.

P: 07 4936 1872 M: 0417 775 245
brendan.hamilton@qraa.qld.gov.au



Bill Fletcher
Kingaroy

Loans increase capacity

First Start Loan enquiries have risen in the South Burnett as prices for many blocks ease and opportunities to buy into the family farm increase.

An increasing number of dairying, grazing and cropping families are looking at how First Start Loans can be used for succession within their primary production enterprise.

There has also been some rationalisation in tree crop industries and Sustainability Loans are being used to increase production capacity. In many instances, the purchase of adjoining properties is ensuring better throughput of existing packing houses.

P: 07 4160 0716 M: 0417 778 317
bill.fletcher@qraa.qld.gov.au



Sam Spina
Innisfail

Loans assist canegrowers

In far North Queensland QRAA has been assisting new and existing cane growers to purchase ex tree farms and plant them to cane.

With additional assistance from the mills this has proven to be a cost effective way for the next generation of cane growers to enter the industry.

A growing number of horticulture and cattle producers in the Tablelands are being assisted with productivity loan enquiries.

Grants and natural disaster loans are also still available to those businesses directly damaged by Tropical Cyclone Yasi. The closing date has been extended until 31 October 2012.

P: 07 4064 2824 M: 0429 497 757
sam.spina@qraa.qld.gov.au



Mieke Elder
Roma

Disaster recovery

Wool producers face a difficult time with prices falling by up to 10% in some categories over the past quarter. Producers in the Western Downs and South West have been more fortunate with fine and medium categories remaining in stronger demand.

A more positive outcome for graziers has been the improved prices for goats, with prices having risen gradually from the low in February.

Many grant enquiries are still being received from those affected by the Western Queensland Tropical Low. Please remember it is important for all work to be completed, invoiced and paid for before the extended closing date of 31 October 2012.

P: 07 4622 8527 M: 0427 029 141
mieke.elder@qraa.qld.gov.au

QRAA launch of Rural Debt Survey 2011

Industry and banking leaders discuss Queensland's Rural Debt

Key industry representatives from Queensland's banking and rural sectors gathered to learn about the nature of Queensland's agribusiness debt at the release of QRAA's 2011 Rural Debt Survey in Brisbane on Wednesday 27 June.

Findings of the Survey, revealed that major fiscal, weather and market events have impacted on the financial performance of rural producers over the past two years, with Queensland's agribusiness borrowings experiencing a 19 per cent increase (\$2.6 billion) since 2009.

The increase in borrowings brings Queensland's total rural debt to \$16.9 billion, while the average debt per borrower has grown to \$1.073 million – a 17 per cent increase since 2009.

QRAA Chairman, Wayne Carlson, said that the increase in debt is not surprising given the conditions that Queensland producers have faced in recent times.

"Since the last survey was undertaken, rural producers have had to deal with many challenges including recovering from floods and cyclones, as well as rising input costs. Accordingly, the rise in overall rural debt was expected," Mr Carlson said.

"The survey also indicated that tighter bank lending criteria have been applied over the past two years, with borrowers classified as the most-viable (Category 'A') contributing the most to the overall debt increase."

"Encouragingly, the Survey found that 86 per cent of the total debt was classified as 'A' or 'B+' rated debt (borrowers who are considered potentially viable long-term but are experiencing debt servicing difficulties), indicating confidence in the future of Queensland agribusinesses as a key investment sector," he said.

Other key findings of the survey include:

- Five industries account for more than 80% of total recorded rural debt. These industries are:
 - beef (54% of total debt)
 - cotton (7.6%)
 - grain/grazing (6.8%)
 - grain (6.5%)
 - sugar (5.7%).
- Rural debt for the beef industry has increased by \$1.3 billion (17%) over the past two years to a total of \$9.18 billion. This increase is largely attributed to impacts of natural disaster as well as the live export ban in May 2011.
- The grain/grazing industry recorded the second highest movement of rural debt, with an increase of \$295 million, or 34 per cent from 2009, to reach a total debt of \$1.16 billion (6.8 % of total rural debt).
- Four of Queensland's 10 Australian Bureau of Agricultural and Resource Economics



Science (ABARES) regions account for more than 70% of the total rural debt in 2011. These regions are:

- Central South Coast (\$3.6 billion; 21.6% of total debt)
- Maranoa/Western Downs (\$3.5 billion; 20.9%)
- Central (\$2.67 billion; 15.7%)
- Tropical North Coast (\$2.06 billion; 12.1%)

The Rural Debt Survey is commissioned by QRAA biannually and was prepared by Bentleys Chartered Accountants this year, with cooperation from the major banks, Queensland-based lending institutions and industry associations.

For more information or to download a full copy of the Survey report contact QRAA on **Freecall 1800 623 946** or visit www.qraa.qld.gov.au. ■

Below: Key industry representatives at the QRAA Rural Debt Survey launch event.



Disclaimer: the information provided by QRAA is general information only and has been prepared without taking into account your individual objectives, financial situation and needs. Before applying for financial assistance or making any decision, you should obtain and read a copy of the relevant program guidelines and seek advice from your legal, business and financial advisers to determine your eligibility for, and the terms of the relevant financial assistance. You should note that past grants of financial assistance are not a reliable indicator of eligibility for future grants of financial assistance. The information provided by QRAA has been taken from sources believed to be reliable however QRAA does not represent that the information is accurate or complete and it should not be relied upon as such. QRAA does not assume any common law duty of care towards you in providing the information and QRAA will not be liable for any loss or damage however caused (including by the negligence of QRAA), suffered or incurred by you in connection with information provided by QRAA.