



FRIDAY 24 MARCH 2017

Have your say on Farm Debt Mediation

The NSW Rural Assistance Authority (RAA) is reviewing the state's Farm Debt Mediation Act 1994 (the Act) to ensure it continues to deliver on its original intent of providing for the efficient and equitable resolution of farm debt disputes between farmers and creditors.

NSW RAA, Director, John Newcombe said NSW led the way as the first State to introduce this legislation for farm debt mediation, which has worked well for over 20 years, and this review will enable us to continue to improve.

"Farm debt mediation has been on the national agenda with a working group established in 2014 to investigate options for a nationally consistent approach," Mr Newcombe said.

"Reviewing the Act will enable NSW to contribute to and lead the development of model legislation.

"Farm debt mediation is a structured negotiation process in which a neutral accredited mediator assists farmers and their creditors to reach agreement on their present and future financial arrangements.

"It is a simple, low cost process, where farmers can communicate openly and confidentially to explore options like refinancing or restructuring loans, or changing the nature of a farm business."

Farm debt mediation is valued by both farmers and creditors as a dignified and effective dispute resolution mechanism.

"Of the almost 1,700 satisfactory mediations that have occurred since the Act began, 90 per cent have resulted in agreements," Mr Newcombe said.

"I encourage farmers and interested stakeholders to make a submission to the FDMA review so that resolving financial disputes in NSW can continue to be inexpensive, efficient and equitable."

The Act was last reviewed in 2000 and amended most recently in 2010.

The Issues Paper and a list of consultation questions can be accessed via raa.nsw.gov.au Public consultation closes Friday, 5 May 2017.

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