



AUDIO TRANSCRIPT- SHORT FILM - INTRODUCING NSW FARM DEBT MEDIATION

This is the first of four short videos that explain farm debt mediation in NSW.

Hello, I'm a farm debt mediator and this is a brief introduction to mediation under the NSW Farm Debt Mediation Act.

Narrator: At mediation a mediator helps the farmer and the lender, to negotiate and reach agreements about farm business debt. The mediator does not provide legal or financial advice. The mediator will manage the mediation process to ensure it is efficient, fair and effective.

In NSW a lender has to offer mediation before enforcement action can be taken over a farm debt.

Banker: Farmers can ask for mediation at any time – you don't have to be in default or hardship. These early mediations can often resolve issues before they become more serious.

Farmer: I agreed to mediation so I chose the mediator from the Rural Assistance Authority's panel of mediators. I got some help with that from my local Rural Financial Counsellor.

Narrator: Before the mediation the lender, the farmer and the mediator agree on the date and location of the mediation, and how the costs will be shared.

Mediator: Mediation is confidential – that allows everyone to be frank and open about their concerns and what they want to achieve. Legal rights can be discussed, but usually the outcome is based on practical business solutions.

The mediator will check that the people attending the mediation can negotiate and enter into an agreement.

Narrator: You should prepare well for a mediation. Watch our short video on mediation preparation, or visit the Authority's website for more information.

Mediator: A farmer might decide to bring a Rural Financial Counsellor or professional adviser such as a lawyer or accountant to the mediation. Or their business partner, spouse or others who might be directly affected by the agreements reached at mediation.

Banker: For lenders, mediation is an excellent opportunity to discuss and resolve issues with our customers. Senior staff come to the mediation to listen to the farmer's perspective and those staff have authority to negotiate.

Narrator: When the mediation begins the mediator will say some opening words. The lender and the farmer will talk about what is important to them. They will have an opportunity to discuss their issues in depth and try to understand why mediation became necessary. They'll look at options, practical realistic solutions and then negotiate the terms of an agreement,

if one is possible.

Narrator: During the mediation there will be breaks so that those attending can consider options and discuss matters privately with their adviser or the mediator.

Mediator: Shall we get them back in and you can talk to them about your concerns and what they think the next steps could be?

Farmer: Yeah, alright.

Farmer's wife: Yeah, OK.

Narrator: Agreements reached at mediation are usually legally binding. These agreements often relate to how the relationship between the farmer and the lender will continue in the future, or how it will end.

For more information visit the NSW Rural Assistance Authority's website or speak to your Rural Financial Counsellor.

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