**RURAL ADVANCES GUARANTEE ACT AMENDMENT BILL 1988**

**Legislative Assembly, 10 August 1988, page 118**

Second reading

**The Hon. J.C . BANNON (Premier and Treasurer)** obtained leave and introduced a Bill for an Act to amend the Rural Advances Guarantee Act 1963. Read a first time.

The Hon. J.C. BANNON: I move: That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in Hansard without my reading it. Leave granted.

Explanation of Bill

The purpose of this amendment is to transfer to the Director-General of Agriculture certain responsibilities presently carried out by the Land Board. The change is being proposed because the Rural Assistance Branch of the Department of Agriculture administers most other State Government measures relating to farm lending and has greater relevant expertise and experience.

The Rural Advances Guarantee Act empowers the Treasurer to guarantee the repayment of loans for the acquisition of land for rural production. Since 1963, 212 guarantee applications have been approved, of which 33 are still current. Prospects for farming are such that new loans are now rarely made. Activity under the Act is limited almost exclusively to the consideration of applications for the deferment of loan repayments.

At present the Act places responsibility upon the Land Board to advise the Treasurer with respect to the valuation of properties and the ability of the borrower to undertake the business of rural production. The board is also required to furnish reports to the Treasurer in relation to guarantee applications and proposals for deferment of loan repayments.

The Act requires the Director-General of Agriculture (or a person nominated by the Minister of Agriculture) to furnish the Treasurer with a report on the adequacy of the land in question to maintain the applicant and his family after meeting all reasonable costs, including loan repayments.

In practice, the Land Board has, for some time, accepted advice from the Rural Assistance Branch of the Department of Agriculture prior to fulfilling its statutory role. The legislation seeks to formalise these arrangements.

I commend the Bill to members.

Clause 1 is formal.

Clauses 2 to 5 are self-explanatory.

Mr MEIER secured the adjournment of the debate.