

Dear Sir/Madam,

Thank you for the opportunity to appear before the Committee.

We took 2 questions on notice:

1. Mr Van Manen: In relation to tenants, Mr Holmes—correct me if I'm wrong—it's my understanding that, under the tenancy laws in Queensland, there's no requirement for the landlords, or the real estate agents for that matter, to advise tenants if a property is flood impacted or is a flood risk. Is that correct?

Answer: That is correct.

2. Mr Van Manen: Also, what I don't think we've spoken a lot about and I've certainly not seen mentioned in many submissions is the group of issues faced by small to medium business owners who are impacted. So what's your experience in that space for both of those groups?

Answer: Legal Aid Queensland's Farm and Rural Legal Service (FRLS) was established in the mid-1990s. The FRLS provides advice and assistance to rural producers and rural small businesses that have severe debt related problems or are in dispute with their lenders or are otherwise facing financial hardship directly related to their business of primary production. The service is free of charge. No income or assets tests apply. The FRLS works closely with rural financial counsellors and professional advisors, such as agribusiness consultants, accountants and private legal advisors and represents rural producers in farm debt mediations as well as other debt negotiations with their financiers. The FRLS does not provide representation in court proceedings. The service has two lawyers who travel throughout Queensland including to remote locations to give legal advice. The service assists rural producers on the farm, at a venue of the farmer's choice, at LAQ offices, by telephone and at other locations as required.

In the experience of FRLS and the Rural Financial Counsellors the issues faced by farmers regarding insurance are:

- a. Many insurers will not offer coverage in certain areas of Queensland. This has been the case in many rural areas for years.
- b. In some areas, high insurance premium costs make many policies offered unaffordable. In some instances to obtain some cover, producers opt for policies with very high excess charges and reduced cover. They tend to cover their Principal Place of Residence (rarely at replacement cost), some motor vehicles and public liability in their rural pack.
- c. Although there are some crop insurance packages available offering various covers, the FRLS experience is that most farmers do not take out crop insurance due to the expense.
- d. Typically, insurance does not cover damage to fencing or other similar infrastructure.
- e. Commercial livestock are rarely insured. Some High value animals such as stud stock might be insured.
- f. In FNQ and NQ, the RFC's report never having had clients with crop insurance while livestock insurance including large studs aren't insured in FNQ.
- g. Clients do insure select machinery particularly when it is financed as there is an obligation to maintain cover.
- h. Farmers rely on government grants (when available) following natural disasters declarations to assist them to cover the cost of repairs to infrastructure.