



QFF welcomes NAB Farm Management Deposit move

The Queensland Farmers' Federation (QFF) has welcomed NAB's announcement that it will allow farmers to offset their Farm Management Deposit (FMD) against their agricultural lending.

QFF CEO Travis Tobin said FMDs were an important tool to help farmers deal with varying income, and the offsets provision was an important part of the positive and proactive FMD reforms that passed Federal Parliament in early 2016.

"Previously, Rural Bank was the only financial institution to offer farmers the chance to use up to \$800,000 held in their FMDs to offset their borrowings. But as a relatively small player in Queensland, a limited number of farmers were benefitting from Rural Bank's sector-leading move."

"As the nation's largest agri-lender and the bank of choice for many Queensland farmers, this move by NAB sets an important precedent for the other major agri-banks in the state."

NAB will also no longer charge penalty interest payments to farmers who default on loan payments during drought.

"Farmers and country people are tough, but this protracted drought is challenging for even the most resilient. QFF thanks NAB for backing rural and regional Queensland and calls on other banks to follow this move and give farmers another tool to manage risk and plan for the future," Mr Tobin said.

Help is available to farmers and rural communities affected by drought, for details about assistance and support services or to lend a hand to those doing it tough see here: [Support for drought affected farmers and rural communities](#).