



Speech by

Hon. HENRY PALASZCZUK

MEMBER FOR INALA

Hansard 19 November 1998

DAIRY INDUSTRY AMENDMENT BILL

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) (3.43 p.m.), in reply: I thank all honourable members for their contributions today. It is a rare occasion when all sides of the House are so firmly behind a piece of legislation such as our Dairy Industry Amendment Bill. This Bill is very important, not only to our dairy industry but also to all of Queensland. This Bill honours the Labor Party's commitment to this all-important industry. The Labor Party made its commitment to the dairy industry a very clear pre-election commitment. It is delivering on that commitment today.

This Government has made it clear from the start that it was not prepared simply to deregulate the Queensland dairy industry and leave it to fend for itself against the prevailing market forces. This Government has moved to give Queensland dairy farmers greater certainty by maintaining the farm gate price for market milk for five years under a Statewide supply management scheme. This decision follows recommendations from a review working group and industry consultation. That review working group was commenced under the previous Government. From the contribution made by the honourable member for Southport, I suspect he probably would have been far better served by being the chairman of that working group. This decision is in the best interests of Queensland dairy farmers, their families and dependent Queensland communities.

In order to ensure equitable producer access to the farm gate price, regulated supply management arrangements will be extended across the State and will remain in place for the same period as regulated farm gate prices. Currently those supply management arrangements that provide for individual producer entitlements and processor access schemes operate only in the south-east corner. The working group recommended to Cabinet that individual entitlements should be granted to dairy farmers in north and central Queensland, based on producers' current market milk access with fair and equitable criteria to be developed to ensure that products from those regions get a fair entitlement to the market milk pool.

The Beattie Government is acutely aware of the change already occurring within the industry and that further change was inevitable following reforms in the marketplace and potential reforms in other States. However, this Government is standing up for and standing alongside our dairy farmers. The sentiments expressed by all members here today reveal that this Queensland Parliament is doing the same thing. Immediate farm gate deregulation would have caused enormous upheaval in our industry, enormous upheaval for our dairy farmers, enormous upheaval for their families, enormous upheaval for their communities and enormous upheaval for our State. This Government is committed to improving the effectiveness and smooth operation of Queensland's dairy industry—but never at the expense of secure employment and never at the expense of enormous upheaval for our State.

I am fully aware of the time constraints that we are under. I will make a few comments on the contributions of some of the members in the debate today. I thank the Opposition spokesman, Mr Cooper, for his support and his cooperation during that pretty tough period over the past three months when the legislation was put together after the working party had presented its reports and recommendations to Cabinet. He expressed concern about post farm gate deregulation. I believe we all have to recognise that our industry is mature enough to accept that it has to continue adjustment to remain competitive. The industry decided on that five years ago. The industry has to adapt to current Australian marketing practices, because that is the way things are going today. One cannot realistically suggest that Queensland will benefit from ignoring the changing environment.

The Opposition spokesman also spoke about growth. Over the past three years we have had very low growth within the dairy industry. The total increase was from 372 million litres to 377 million litres, which is a 1.3% overall improvement. Under the current proposals, we will have a more flexible arrangement for our market milk variations. The market milk variations will be communicated to our dairy farmers monthly. The new system will have lower administrative costs. The Opposition spokesman mentioned consultation. I do not know whether any more consultation could have been undertaken than was undertaken. Industry leaders, farmers and processors have been consulted on the content of this Bill.

The honourable member for Logan certainly raised a number of interesting issues. He seems to have a passion for providing jobs on the export front. I believe that, with post farm gate deregulation, many of those objectives that the honourable member for Logan raised will be achieved. Of course, that will be good news for our dairy farmers. The member also raised the issue of compensation under the entitlements scheme. I assure the honourable member that the legal advice that has been obtained indicates that there is no legal right to compensation created by the issue of statutory entitlements.

The honourable member for Warwick in his contribution referred to the dairy factory within his electorate. Also, a wonderful family called the Hemmings live in his electorate. They are really battling out there to establish their dairy farm. The issue that the member raised in relation to the Hemmings is very difficult, simply because the entitlement has to be purchased. I personally visited the Hemmings' property. I have spoken to Mr and Mrs Hemmings. I will keep a watching brief on their progress.

The honourable member for Southport, in his own inimitable way, gave a pretty good contribution to the debate because of his involvement in the industry since he was a boy. The honourable member for Fitzroy has some dairy farms in his electorate. As usual, his contribution was well worth while and very constructive, as was that of the honourable member for Callide. As for the member for Springwood, apart from the fact that his electorate is named after a dairy farm and the fact that he was brought up with relatives who are dairy farmers, he showed an understanding of the issues and his contribution was worth while.

I would like to thank the honourable member for Lockyer for his contribution and his support. Of course, the One Nation Party is totally opposed to the National Competition Policy. I know that it is a difficult thing to say, but what the Government is doing in this legislation in relation to the dairy industry is probably as far as it can possibly go. The honourable member for Nicklin raised a very important issue in his electorate, which is the composition of milk and the jersey cow herd on the dairy farms in his electorate. That issue is really not an issue that should be raised in relation to this legislation. This legislation has come about as a result of the National Competition Policy review. I am keeping an ongoing brief on the issue with the QDA. I will try to do what is right for the industry in relation to milk composition next year.

The honourable member for Cunningham showed some concern for the dairy farmers in his electorate. He raised some legitimate concerns and I have taken them on board. The honourable member for Toowoomba South, coming from the dairy industry, certainly has a good working knowledge of the industry and, in his own inimitable way, raised issues that are very relevant to the Bill. I certainly welcome his support because he comes from the industry.

I also thank the honourable member for Caboolture for his support. His contribution, like that of the honourable member for Lockyer, was pretty well informed. With those few words, I commend the Bill to the House.
