



Speech by

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Hansard 19 November 1998

DAIRY INDUSTRY AMENDMENT BILL

Dr PRENZLER (Lockyer—ONP) (2.54 p.m.): One Nation supports this Bill completely, because we are in this House to represent the best interests of Queensland. The deregulation of the dairy industry will be catastrophic for Queensland producers and related industries. Deregulation will open the Queensland dairy industry door to southern dairy interests and will tell them to come inside and make themselves at home. The Victorian industry has been waiting with bated breath for our industry to be deregulated so that it can enter the market, making a killing and driving our farmers out, and it can do it. Victorian milk can be transported to Queensland in non-refrigerated vehicles at minimum cost and with little drop in temperature. If the Dairy Industry Amendment Bill is not passed, after January 1999 the Victorian industry will not have to wait any longer.

The long-term results of deregulation will inevitably mean the monopolisation of the industry, death to the small farmer, and higher prices and no quality control for the consumers. If not for this Bill, the Queensland dairy industry would be devastated shortly after 1 January next year when deregulation would have commenced. The Bill provides short-term relief from a long-term game of survival of the biggest—not survival of the fittest, as the economic rationalists would have us believe.

Last week this House rejected the National Competition Policy, and rightly so. Even academia, the creators of the unrealistic textbook policy that is followed blindly by politicians of both parties, now admit that perhaps it is not such a good idea and perhaps it did not quite achieve the results that it was supposed to achieve. If the academics and the intellectual elite of the nation are beginning to wake up to the disaster called economic rationalism, perhaps the politicians might, too. Within the next five years, perhaps we will see a shift in focus from economic rationalism to economic nationalism, which is economic realism.

The huge support for One Nation clearly demonstrates public opinion on and support of nationalistic policies, both economic and social, and a distinct dissent from economic rationalism and the attitude of the intellectuals. The so-called level playing field is a classic example of the terminology that is often used by the ruling elite and is often mentioned in Canberra. A level playing field may exist, but to reiterate what has been said by the leader of my party, Pauline Hanson, Australia seems to be the only one on it. This level playing field also exists within Australia.

On an international scale, two countries that are vastly different in standards of living, size, climate, traditions, culture and so on cannot possibly take the same steps to achieve the same goals without adjustment for their differences. Within Australia, Queensland is vastly different from New South Wales, Victoria and all the other States and Territories. It is absurd to suggest that all must drop their barriers and open their markets without consideration of the differences between States on an industry basis. For instance, Queensland's climate plays a major role in the dairy production process and is vastly different from that of Victoria, which has much more temperate conditions. Australia is the only country on the world level playing field; do not let Queensland be the only State on the internal level playing field, at the expense of Queensland producers and jobs.

As at 1997, there were 1,680 dairy farmers in this State. Those figures are sourced from the 1993 National Competition Policy review of the Dairy Industry Act, a report of the Queensland Dairy Legislation Review Committee. Those producers have families and lives. Their sole livelihood depends on the survival of the industry. According to the Queensland Dairyfarmers Organisation, the Queensland dairy industry directly employs some 8,000 people in production alone. That figure does

not include those employed in milk processing. The employment multiplier ratio in this industry is three to one, which amounts to 24,000 jobs as a direct and indirect result of the production sector of the Queensland dairy industry.

Deregulation will result in the destruction of many of those jobs. Whole communities will fade into oblivion as large producers buy smaller ones. They will continue to grow and interstate dairy industries will pull more and more of our market share away. We will see more suffering, more broken homes and families, and shrinking rural communities. As a result, consumer prices will rise. Generations of dairy farmers, particularly small family farmers who have been the backbone of rural Australia, will disappear. The only ones who will benefit from this madness will be the large retailers and the monopoly supermarket chains, which will increase the prices paid by the consumers while the farmers suffer. The partial deregulation in New South Wales is a current example of that happening. Once again, the rural heart is being torn out.

The Cooloola Shire Council provides a classic example of the damage to a rural community that deregulation can cause. The Cooloola Shire is centred on Gympie and is based on agricultural industries. It is central to one of the largest dairy sectors in the State. In fact, my senior adviser, Ian Petersen, is adamant that Gympie is the dairy capital of Queensland. In October 1997, when the Cooloola Shire Council submitted a report to the Dairy Legislation Review Committee, more than 180 dairy farmers were operating within the Cooloola region and dairy farming accounted for 25% of all the agricultural enterprises in the shire.

The submission of the Cooloola Shire Council discusses repeatedly the effects of deregulation upon the farmer, his family and the community as a whole. It estimates "that falls in farm income will force about one third of the local dairy farmers out of the industry". Those farmers face long-term unemployment. They will simply add to the welfare queues, as they will have no choice but to stay on the dole or move away from the area. Even if they do move, employment is still unlikely considering the average ages and education levels of many of those farmers, who will be looking for work in an environment of increasing unemployment.

In addition, the multiplier effect of three to one will result in devastation for local businesses in the community. The submission of the Cooloola Shire Council further states that "for every dollar not spent by a dairy farmer, there will be approximately three dollars not available to be spent in this community." It is common knowledge that the farmers' first rationalisation will be to lay off any employees, forcing the farmers to work harder and longer hours themselves. That will lead to increased family pressures, personal stress, fatigue, a greater chance of accidents and poor land management, capital investment and development.

The council comes to two conclusions of particular note. The first is that the cost to individuals, the industry, the local community and, ultimately, the State economy will far outweigh any potential gains that may ensue from deregulation. The second is that it is absolutely vital that the Queensland Dairy Authority continues to set the farm gate price of market milk in Queensland and that the present system of entitlement remains unchanged.

We have also been made aware of the concerns of some farmers about the need to have a pricing system that takes into account milk quality and composition. This issue does not need to be addressed in the Bill before the House. It can be adequately covered by regulations. One Nation will be monitoring the outcomes and will be pressing for such regulations as soon as practical after the Bill has been enacted, to provide a degree of certainty and stability.

That is what this Bill does, and it is necessary for the survival of the industry—for a while longer, anyway. That is why I fully support the Dairy Industry Amendment Bill. I am sure that the Shire of Cooloola has many similarities to much of Queensland where the dairy industry is involved, and is not alone in voicing its concerns about deregulation. The Honourable Minister for Primary Industries rightly stated in his second-reading speech that instant deregulation of this industry, without the price controls that this Bill implements, would lead to the instant destruction of the Queensland dairy industry.

Queensland milk farmers rely on this Government to protect their jobs and to encourage an environment that provides opportunity for all industries to grow and prosper. Government has let them down, both federally and at the State level, primarily as a result of the National Competition Policy. This Bill is the only saving light for this industry and, even though it has only limited power and hence will last us only so long, at least, though, the Bill before this House today provides some protection for industry for five years, while maintaining prices for market milk and allowing the extension of supply management arrangements applying in southern Queensland to the entire State's dairy industry.

Any protection of this industry should be supported by all who are concerned with what is best for Queensland. I reiterate my support and stress the importance of this Bill to the continuation of our dairy industry and to the lives of the 1,600 farmers, their families and their communities. I would hope that in the five years' saving grace some resolution to the nonsense of National Competition Policy may be found, and that this industry might be saved. This Bill at least gives them that chance.

One Nation has always fought, and will continue to fight, economic rationalism and National Competition Policy in its entirety. We will continually fight for the survival of Australian industries and recognise the importance of rural communities and primary industry. I stand here today in support of the industry and its obvious pleas for help as the deregulation monster begins to devour it. One Nation has an unchanging position, and that is what is good for Queensland dairy producers. We must put Queensland first. We must ensure that individual producers continue to have their price security and that the milk producer is not jeopardised at the expense of the retailer. Price and supply for producers is an absolute must. This Bill supplies that to the dairy industry and, as such, it is necessary that it be passed. I urge all other members of the House to put aside party politics and support this Bill and the dairy farmers of Queensland.
