



Speech by

**Tony ELLIOTT**

**MEMBER FOR CUNNINGHAM**

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Hansard 19 November 1998

**DAIRY INDUSTRY AMENDMENT BILL**

**Mr ELLIOTT** (Cunningham—NPA) (12.47 p.m.): I am against deregulation of the dairy industry as a result of the experience that Victoria has had. The retail chains have made greater profit, the consumer is paying more for the product, and what has happened to the farmers? As usual, they have been screwed down. Unfortunately, that is the way it goes.

I support the farm gate price. I think we have to ensure that the consumer gets a quality product at a realistic and reasonable price, and I think that some of the provisions contained in this Bill will assist with that. I think we should be looking at a time frame of five years to ensure some semblance of order in the industry. Quite frankly, the concept of a level playing field has been proven to be an absolute nonsense.

**Mr Baumann:** They change ends at half-time.

**Mr ELLIOTT:** That is right. Some of these people are very good at changing ends at half-time.

**Mr Veivers:** The trouble is, we are in the middle.

**Mr ELLIOTT:** That is right. People such as my colleague the member for Southport and others in his area and plenty of dairy farmers in my area are the meat in the sandwich. Quite frankly, I think we have to learn to be a bit more practical and pragmatic.

I am interested to see a continued Queensland industry. For years I went to QDO conferences and tried to encourage the representatives not to do away with the vendor system. They were keen to work in with the chain stores and they said, "That's where it's at now—the two-litre sales in the chain stores." I used to say to them, "The minute you get rid of your vendor system, you will be at the mercy of Coles, Woolworths, Franklins and those people, and they will screw you down on price." That is exactly what has happened. We paid out all those vendors. We compensated them. This is exactly what happened in Victoria. If we are not careful, we will allow the chain stores to dictate the terms to us. We have to ensure that the industry remains regulated enough to ensure that our dairy farmers are not disadvantaged and absolutely abused by the chain stores. Quite frankly, all the chain stores are interested in is one thing: profit for their shareholders. They do not give a damn about the dairy farmers, the feedlotters or anybody else.

This same sort of situation could also apply in the beef industry. Chain stores are selectively taking beef from individuals and then playing them off one against the other to try to screw down the price. The same dramas are occurring in the pork industry. Members have probably heard me talk about the pork industry on at least five occasions in the past year.

We must ensure that we are practical about this issue. We know that competition exists out there. However, we must ensure that the dairy industry remains viable. After all, it is one of the bright spots out there. Quite frankly, there are not too many primary industries in which people would want their sons to be involved. I would be happy for my son to be involved in the dairy industry, because I believe that it has a future. It is probably one of the few industries that does have a future. Apart from the cotton industry and a couple of others, it is one of the few industries that look any good. It certainly does not look much good to me to be growing grain—and that is what I do. I grow cheap grain so that the member for Southport can buy wonderfully cheap grain and make a great profit out of milk.

**Mr DEPUTY SPEAKER** (Mr Mickel): Order! Does the member for Southport want protection from the Chair?

**Mr Veivers** interjected.

**Mr DEPUTY SPEAKER:** Order! The member for Cunningham will restrain himself.

**Mr ELLIOTT:** There are lessons to be learnt from other areas. I refer particularly to the Victorian experience. Jeff Kennett has many good qualities. He gets things done. I am a supporter of his in many ways. However, he has caught the deregulation bug. Although deregulation might work in some instances, it has not worked in the dairy industry. All that Jeff Kennett has done is shoot his dairy farmers in the foot. We can learn from the lessons of history.

I will not delay the House any longer, because I know that other members want to speak to this Bill. I support the Bill. However, I have reservations, because I do not believe that we are looking down the track far enough. Five years is great, but we should be looking even further ahead.

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