



Speech by

**Hon. V. LESTER**

**MEMBER FOR KEPPEL**

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Hansard 19 November 1998

**TARIFF PROTECTION, SUGAR INDUSTRY**

**Hon. V. P. LESTER** (Keppel—NPA) (6.34 p.m.): I support the Opposition's amendment, which calls on the minority Beattie Government to recognise the plight of far-north Queensland canegrowers in relation to the declining c.c.s. levels. The most pressing issue in far-north Queensland for the sugar industry is the declining c.c.s. levels. The most pressing issue is not tariffs, not the marketing of sugar or the sugar price; it is the decline in the c.c.s. Although this Parliament and the State Government cannot influence world prices, does not have responsibility for tariffs and cannot control the weather, the Parliament and the State Government can do something about the declining c.c.s. That is what our amendment is all about. It is not pie in the sky. It calls for immediate and effective action to address the serious problems affecting and threatening far-north Queensland sugarcane growers. If the Parliament carries this amendment, that is what we will be delivering to the people of far-north Queensland—action, not empty rhetoric.

Sadly, many farm families are now earning below the basic wage on farms that were once regarded as viable enterprises. Average returns have halved, from \$30,702 in 1997 to \$14,887 in 1998. The most effective way to boost the farm incomes and the viability of far-north Queensland sugar industry growers will be to find answers to the problems of the declining c.c.s. This amendment seeks to help to find these answers. By way of an example of the dramatic effects of c.c.s. on farm income, an analysis by Innisfail district canegrowers has shown that a district average c.c.s. of 12 will deliver a net profit before tax of around \$30,000, or a 3.1% return on investment. With an increase in c.c.s. of just one unit, that is, from 12 to 13, net profit before tax will increase by 60%, to \$49,000.

We have already heard from the member for Crows Nest and the member for Hinchinbrook about how the coalition provided \$300,000 in seed money to kick-start a localised research program into the declining c.c.s. problem in the region from Tully to Mossman. This program has strong support from the canegrowers in that far-northern region. We heard how, despite being personally briefed on the severity of the problem by those local growers and the need for research money, the new Minister mistakenly diverted that money into another program, which unfortunately will compound the problem rather than fix it. We have heard how, despite repeated pleas from the industry and calls from the Opposition which date back to when the Beattie Government took office, the Minister for Primary Industries has consistently refused to divert that money back into projects for which they were intended.

The seat of Mulgrave, where the heart of the problem exists, is now facing a by-election. It is now more likely that the minority Beattie Government will use this issue to pork-barrel in a desperate attempt to win the seat and secure a majority in the Parliament. But if it were a responsible Government and genuinely concerned about the welfare of canegrowers, their families and the jobs in the communities that depend on the sugar industry, it would not have let it reach this unfortunate stage. But the fact is that because of the failings of the minority Beattie Government we have reached this stage. If the Government will not act, the Parliament now has the responsibility to act on behalf of the sugar industry.

The carriage of this amendment will send the people of far-north Queensland a message, that is, that the Queensland Parliament is genuinely concerned about the situation confronting the far-north Queensland sugarcane growers and the population there with respect to the decline in the c.c.s. This amendment allows the Parliament to take immediate action to fix the problem. I urge the Parliament to stand up, to be counted, to put politics aside and support the amendment that we have put forward.

Time expired.