



Speech by

**BILL FELDMAN**

**MEMBER FOR CABOOLTURE**

---

Hansard 25 March 1999

**CYPRESS INDUSTRY, WESTERN QUEENSLAND**

**Mr FELDMAN** (Caboolture—ONP) (6.08 p.m.): It is with pleasure that I second the motion of the member for Lockyer. Similar to our approach to the GST, One Nation will be there with jackboots on when we get a chance to kick National Competition Policy to death, and we will do so at every available opportunity.

Over the past few decades the Queensland cypress harvest has been extremely stable, but is this stability about to change? In a report produced by the Department of Primary Industries in 1998 titled the Queensland Forest Industry, the effect of National Competition Policy is discussed. It states—

"The National Competition Principles Agreement between the Commonwealth and State governments requires all legislation containing restrictions on competition to be reviewed and only those restrictions found to be in the public interest retained. An audit of Queensland legislation found that the Forestry Act 1959 contains certain restrictive provisions. These are currently being assessed by DPI's Policy and Legal Services Unit using a public benefit test process."

The obvious result of these reviews is the following suggestion, as reported in a Courier-Mail article on Saturday, 20 March, which stated—

"State departments, including Primary Industries, Environment and Treasury have contended that the current system of cypress forest allocations to millers in western Queensland is in breach of the Trade Practice Act and does not comply with National Competition Policy."

State departments are surely not established to send an industry broke by destroying livelihoods in the name of economic theory— economic theory whose own initial creator later admitted was destructive to Australian industry, an economic theory which has no substance or support in reality. Every industry that National Competition Policy touches ends up the same way. The small players are destroyed through an inability to compete, the large players take over, an oligopoly forms and unofficial collusion sees prices rise to a level that was never seen before the process began.

Who benefits? Certainly not the public; not the consumer; not the small operator, their families or their townships; and not the Government! The only beneficiaries are large businesses—bigger profits and less competition. We all know that big business pays less in taxes than small business and the PAYE taxpayer in the overall scheme of things, so the Government and the average citizen lose out yet again—increased unemployment, less contributors to tax revenue, increased welfare payments and, inevitably, higher prices.

The miraculous economic theory, National Competition Policy, does exactly what it is supposed to prevent from happening. It decreases competition; it encourages oligopolies and monopolies; it increases prices; it benefits large corporations that can achieve economies of scale and, like all economic theories, it clearly fails to take into account one very important factor—the people.

The cypress industry in Queensland is only one example of the damage which National Competition Policy is capable of, but this industry can be saved. Not only is it necessary for this Government and, indeed, this Parliament to ensure that this industry remains as it is and that these workers, families and communities are protected, it is also our job to put an end to the effects of National Competition Policy in our State. The Premier quite clearly gave his assurances yesterday in this House that his Government is committed to the cypress pine industry. He acknowledged that it is the

lifeblood of many Queensland regional towns. He promised that neither he nor his Government would ever put economic rationalism ahead of jobs.

Now it is time for the Premier to stand firm behind his word and to support this motion—not to water it down with amendments, but to support it in its entirety and to further act to reject Queensland's role in National Competition Policy. This motion is the perfect opportunity for the Premier to prove to the people of Queensland that he indeed actually runs this State. This Parliament unanimously supported the rejection of National Competition Policy in November last year and the Premier took this message to Canberra. Let us again unanimously support the rejection of National Competition Policy. Two thousand employees of this industry, their families and their communities deserve nothing less. I urge all members to support this motion.

---