



Speech by

**Hon. HENRY PALASZCZUK**

**MEMBER FOR INALA**

Hansard 29 April 1999

### **MEAT INDUSTRY AMENDMENT STANDARD (No. 1) 1999**

#### **Disallowance of Statutory Instrument**

**Hon. H. PALASZCZUK** (Inala—ALP) (Minister for Primary Industries) (9.49 p.m.): I rise to speak against the disallowance motion moved by the Opposition. I thank all members for their contributions, but especially members on this side of the House, because their contributions are worthy to be noted by anyone who has any interest in meat and food safety in Queensland.

I will address key points made by honourable members in due course, but first I begin by restating that this Government is committed to the highest standard of meat safety. It is this commitment from this Government that will overcome the appalling legacy of the Borbidge Government. As we have heard from a number of members on this side of the House, the QLMA could not continue on the way it was going under the previous Government. It was on the brink of insolvency. We have heard that from former Borbidge Government Ministers, independent consultants' reports commissioned under the previous Government, the QLMA board itself and the Meat Processing Industry Task Force formed by the Borbidge Government.

The QLMA is Queensland's meat safety regulator. Its job is to ensure that the wholesomeness and integrity of meat is maintained by a quality assurance accreditation system provided for under legislation. It is not the job of the QLMA to lobby Governments to try to get them to meet their own community service obligations. Unfortunately, under the former Borbidge Government and the former QLMA board there was a flow of correspondence on the subject of the financial mess that the authority was finding itself in and the previous Government continually refused to offer the funding that it was obliged to provide.

Two independent consultants' reports were commissioned to examine the financial strife of the QLMA. Both of those reports were extremely damning. Both reports supported the claims of the QLMA board at that time. The coalition's neglect, shown by its refusal on a number of occasions to meet the community service obligation funding, undermined meat safety. The member for Crows Nest unfortunately denies it.

**Mr Rowell:** Minister—

**Mr PALASZCZUK:** I will come to the member for Hinchinbrook in a moment. The member for Crows Nest should be aware of the Meat Processing Consultative Committee report, which his Government received more than four months before it lost office. The committee made its recommendations to the Government to meet its community service obligation of up to \$550,000 per annum to the QLMA. It made the recommendation on the grounds that the community service obligation funding would meet the cost of activities which could not be met from the QLMA's base funds. The report states that these activities include—

"Notably policing and enforcement under the Meat Industry Act legislative review, remote area servicing and domestic market promotion."

Policing and enforcement are critical roles, but the previous Government would not deliver the CSO funding needed to pay for these activities.

This Government, in the space of 10 months, has delivered \$800,000 in funding to the QLMA for this year alone. That is more than was recommended by the coalition's Meat Processing Consultative Committee, but our Government is committed to meat safety. The previous Government

was urged by its own Meat Processing Consultative Committee to meet its community service obligation because it was concerned about the implications of the QLMA's financial position on food safety. It is worth hearing the comment of that committee again. It states—

"The committee has a major concern that QLMA will not be able to properly fund the activities nominated above from its proposed accreditation fee structure."

The committee continues—

"The inability of the QLMA to effectively enforce the Act from its current revenue base potentially represents a significant food safety risk, especially in the area of illegal slaughtering.

The damage that would be caused to the Queensland meat processing industry from a Garibaldi type food poisoning, and the likely media reaction to one, hardly needs any elaboration."

I do not need to remind all honourable members of the Garibaldi tragedy, which claimed the life of a four-year-old girl. That tragedy attracted enormous publicity and damaged the smallgoods industry here in Queensland, even though the Garibaldi incident occurred in South Australia. There have been a number of incidents in recent years involving meat, oysters, peanut butter and, just recently, again in South Australia, orange juice. People have died and others have fallen seriously ill due to food poisoning in this country. Not only are there serious public health concerns but also there are concerns for consumer confidence and trade, both domestically and internationally.

The former Minister, the member for Hinchinbrook, was warned at length on this matter. He approved the briefing note referred to by the honourable member for Logan, which stated clearly the implications for Queensland of his own incompetence and the collective incompetence of the Borbidge Government. I will refer to the briefing note one more time. It states—

"The prospect of QLMA being made insolvent by the actions of Government would not only have serious consequences politically, but would be of major detriment to the future trade of meat from Queensland both domestically and internationally."

This Government has acknowledged concern in the wider community that the Borbidge Government's refusal to adequately fund the QLMA had opened the door for illegal meat processing activities. In response to that concern, the QLMA, under its administrator, a man highly regarded within the meat industry not only in Australia but also internationally, formed the meat safety enforcement unit. The unit, which will investigate and prosecute illegal meat processing activities in Queensland, is being funded by this Government.

**Mr Rowell:** Isn't it a fact that the Goss Government took \$500,000 away from the industry?

**Mr PALASZCZUK:** I am not going to waste my time listening to drivel from the honourable member for Hinchinbrook. The honourable member for Hinchinbrook is a failed Minister for Primary Industries. He is bitter and sad that he is not standing in my place now, being able to finally deliver the important reforms that this Government is producing.

This Government has acknowledged concern in the wider community that the Borbidge Government's refusal to adequately fund the QLMA had opened the door once again for illegal meat processing activities. In response to that concern, the QLMA, under our administrator, formed the meat safety enforcement unit. I had to repeat that for honourable members because it is a very important point. This unit, which will investigate and prosecute illegal meat processing activities in Queensland, is being funded once again by this Government. In its four months of operation, the unit has dealt with 175 complaints—resolving more than two-thirds of these cases already—recommending 35 prosecutions and prosecuting 10.

Here is the important point, and this is the point that has been missed by honourable members opposite. If one undermines the QLMA, one undermines consumer confidence, and then one exposes the community to risk of food safety breaches. Again, if one undermines the QLMA, one opens the door for non-accredited meat processors and illegal meat processing operations. This Government is firmly closing the door on that.

I now want to correct Opposition claims about the level of increases. The accreditation fees have been increased by up to 8%, in line with increases in the consumer price index. This means that a small one to two person butcher shop that attains and maintains the highest quality assurance standard will pay an extra \$23 per annum. For those operators—I am sure that honourable members in this place would not like to see this happen—who fail to achieve the top meat safety standard, there will be follow-up and penalty audits. The first full audit is included in the accreditation fees for operators. For small one and two person butcher shops, small slaughterhouses and poultry processors, the audit cost will be a flat \$100.

The honourable member for Warwick claimed that an audit would take about an hour. I believe that he is wrong. I believe that it will take between one and a half and two hours. That is the information

that has been provided to me. For larger meat processors, the fees for follow-up audits will be charged at \$100 per hour.

According to the National Meat Association's own records—and this is important—these new accreditation fees, in 16 of the 30 categories, have in fact decreased compared with the 1995 level. Of course, the honourable member for Fitzroy very eloquently explained that issue to the House.

This Government is providing \$800,000 in funding this year to get the QLMA back on track after it was driven into financial disarray by the Borbidge Government. This includes \$200,000 in remote area servicing. In addition, the QLMA will be looking at its operations—and I ask honourable members to listen to this—with a view to better servicing rural and remote areas, including basing more staff in those areas.

**Mr Littleproud:** Then why are the butchers going broke?

**Mr PALASZCZUK:** Because they have been sold a pup. That is why they are jumping up and down. Members opposite have sold them a pup.

I also note the concern raised about the performance of members of the former QLMA board. I have only one comment to make. I believe that the former QLMA board was frustrated by an incompetent Government. I believe that a public airing of the financial difficulties of the QLMA by the board surely would have sparked even the Borbidge Government into action, but it did not.

It has been highlighted tonight just how committed the Beattie Government is to the meat industry in this State.

**Mr Cooper:** You've got a funny way of showing it.

**Mr PALASZCZUK:** The meat industry directly employs more than 15,000 Queenslanders and indirectly employs thousands more. If the honourable member for Crows Nest had been in the Chamber a little earlier, he would have heard the reasons.

The previous Government adopted a do-nothing approach despite the industry's difficulties with recent abattoir closures and subsequent job losses. The previous Government adopted a do-nothing approach despite its own Meat Processing Consultative Committee's warning that, by adopting such an approach, 17 abattoirs could close and 500 jobs could be lost over the next five years. But this Government has a strong commitment to jobs, and last year the Deputy Premier and I unveiled a comprehensive strategy for the meat industry. It is important in the context of this debate that I elaborate on some of that strategy.

The strategy included: the formation of a Meat Processing Industry Task Force; the establishment of the Queensland Meat Processing Development Initiative to provide a single entry point for the industry to access Government funding of up to \$20m over three years; and confirmation that the Government would exit the meat processing industry and do so in a way that would enable all Queensland Abattoir Corporation contracts to be met.

**Mr Cooper:** How much has been spent? You could have used that on these meat charges.

**Mr PALASZCZUK:** The member would be surprised by how much money has been spent. This Government's strategy, with that injection of \$20m, aims to safeguard jobs, build sustainable new jobs, develop value adding process for the 21st century, develop a robust competitive processing sector, enhance our meat processing performance and attain world's best practice. This Government's commitment to the meat processing industry is in stark contrast to the do-nothing approach of the former Borbidge Government.

The stark contrast in commitment to food safety is also self-evident. Despite advice urging it to clean up the mess that it had created at the QLMA in the best interests of not only the meat industry but the consumers of Queensland, the Borbidge Government did nothing. It wanted to play Russian roulette with food safety. Well, food safety is too important to be compromised. It is too important to be gambled with. How many Garibaldi tragedies do we have to have for coalition members to understand the importance of meat safety? This Government believes that all Queenslanders have a right to food safety, and we are determined, as a Government, to ensure that meat safety programs work effectively.

I turn now to an issue that was raised in the Blair review of food regulation. An article in the 16 February 1999 edition of the Bulletin sums up the findings of the Blair report. The article stated—

"Blair cited 120 Acts and regulations, numerous federal departments and agencies, 40 State and Territory agencies, 700 local governments and 90 national food product standards involved in the agri-food business."

To address the urgent need to reduce duplication in the area of food safety under the portfolio of the Department of Primary Industries, I have asked the department to examine the concept of combining the food safety regulatory functions for high-risk animal protein products under the jurisdiction of a single regulatory agency. This can be achieved primarily by incorporating the food safety roles and functions of existing bodies within the Primary Industries portfolio, namely, meat, dairy and seafood.

The model that I am discussing with the department adopts a staged approach to reduce duplication of functions yet ensures proper coverage of matters that are contained within my portfolio. It is a proposal which I note has the interest of food retailers. I refer to the article titled "Food retailers pushing for a single watchdog" in Business Queensland on 23 April. The article begins—

"Queensland food retailers and their representative bodies are pushing hard for regulation of the industry to fall under a single authority."

I welcome these comments. Obviously, the retailers can value the importance of food safety. Unfortunately, it appears that it is only the members of the Queensland coalition who do not value food safety. The members of the Queensland coalition stand condemned for their position on food safety—unlike the Federal Minister for Agriculture, Mark Vaile, who is proposing a similar concept to what I am working through with the Department of Primary Industries at present.

**Mr Cooper:** You took a stand.

**Mr PALASZCZUK:** If the honourable member for Crows Nest waits until the minutes of the ARMCANZ meeting are finally ratified by all the Ministers who attended and finally distributed for publication, he will then see my support of Minister Mark Vaile in relation to this issue. He will then be able to see my opposition to the exceptional circumstances provisions. As the Minister from Queensland, I was the only person who took a stand—and a justified stand—because I believed in what I was saying. I was out there fighting for our rural constituency who, at present, are suffering enormous difficulties. I cite in particular the grain industry and the sugar industry. The honourable member for Crows Nest stands condemned for attacking the Queensland Minister for Primary Industries and his standing up for the rural constituency of Queensland.

I will not leave a stone unturned in my fight to right the wrongs that the previous Government committed on our rural constituency in Queensland. When the honourable member for Crows Nest and the honourable member for Hinchinbrook look at the backbenches and see the One Nation members, maybe then they will remember the mistakes that they made with their own rural constituencies, because they have been replaced by the One Nation members. And because of the way in which they are going now, and the way in which they are opposing this regulation, they will stand condemned and their vote will plummet even further.

---