



Speech by

Mr P. PURCELL

MEMBER FOR BULIMBA

Hansard 26 November 1999

PRIMARY INDUSTRY BODIES REFORM BILL

Mr PURCELL (Bulimba—ALP) (2.46 p.m.): It is my pleasure to rise today to speak to the Primary Industry Bodies Reform Bill. I will address in particular the amendments to the Meat Industry Act 1993 and enlighten some people on the other side who are supposedly the experts in this industry, who think that people on this side do not have any knowledge about the industry and whose colleagues do not even bother to come back after lunch to hear the debate on a Bill that they supposedly want to participate in and have a say on.

I will bring some people up to date on what the coalition were doing in regard to the meat industry when they were in Government. I spoke on this matter when we were in Opposition. The Cannon Hill saleyards in my electorate employed more than 1,000 people, but those opposite when they were in Government did not consider it necessary to talk to the local member when they were going to close down that meatworks and destroy 1,000 jobs—not one person. There was silence. It was awful.

You talk about caring for people. I said then—and nothing has changed my mind—that you did not care and that you showed contempt for your own producers when closing that meatworks down. Australian Country Choice, which had the main contract with that meatworks, now has to send its cattle to northern New South Wales. You are taking the business and the jobs out of Queensland. Your producers from the downs, Roma and the Brisbane Valley—blokes that I bought cattle from when we had a feedlot at Texas—now have nowhere to send their cattle. If they do send their cattle to northern New South Wales, it is at their expense. What do you care about producers?

Mr DEPUTY SPEAKER (Mr Reeves): Order! The honourable member will speak through the Chair.

Mr PURCELL: You say you care about people in the country—

Mr DEPUTY SPEAKER: Order! The honourable member will speak through the Chair.

Mr PURCELL: You do not care about them at all or you would not have done what you did to that meatworks. I argued with my own caucus, with my own colleagues—particularly with the Premier and Deputy Premier—about not closing that meatworks and about us as a Government keeping a foothold in that meatworks. I saw it as very important in protecting the interests of your constituency—

Mr DEPUTY SPEAKER: Order! The honourable member will speak through the Chair.

Mr PURCELL: Mr Deputy Speaker, I saw it as important in protecting the interests of the constituency of members opposite—of their producers—so that they were not controlled by the ConAgras and the foreign owned meat packers of this world, so that they could go into a meatworks and be guaranteed a kill because it was a Government works. But they just wanted to destroy it—close it down and get rid of it.

That meatworks has been run down over a long period. I have worked my backside off with the blokes at that meatworks—not so much the management because I have not got a lot of time for them. The blokes at that meatworks have worked very hard to bring it up out of the red. When I came into Parliament, that meatworks was in the red every year. So we turned it around, got rid of some assets and got the debt ratio to where it should be. No business could carry the debt ratio that that business was carrying. It was lunacy.

I would not let the people whom they had running it look after my dog. They did not care about the blokes in the meatworks. All they cared about was driving them as hard as they could. They never

talked to them, never discussed anything with them. When we came to Government, we sold off some ground. Jim Elder's department bought some ground at the back of the premises, thereby reducing the debt to Treasury. We sold the Cannon Hill saleyards to Terry Mackenroth and further reduced the debt to the extent that the operation was brought into the black.

Then we sat down with those blokes and with the union and said, "Listen, this is an old meatworks. There are too many blokes here and we have to do something about it." Those blokes worked their butts off for three years and burnt friendships to make that meatworks work, to give the producers a better value e meatworks they could send their cattle to. And who cared? Members opposite came into Government and wanted to shut it down as soon as they got in here. It was a disgrace. They never even wanted to talk to me about it. The blokes at that meatworks are still working hard. They are client focused. Members opposite should go to any other meatworks in this country and try to find blokes in a meatworks who are client focused. They will not find too many, I can tell them. Those blokes down there deserve a medal; they have worked very hard under very trying circumstances.

The technology in that place came out of the ark. One of the first things I did when I became a member of Parliament was walk around that meatworks. I came out of an industry where safety is paramount and we tried to make sure that we saved people from injuring themselves. When I took a walk through that meatworks, I found that 22 or 23 items of equipment were unsafe. That is an absolute disgrace, and the management down there was doing nothing about it. I lost the argument. The Government will get out of the meatworks industry just as previous Governments got out of banks, pubs and a lot of other industries that Governments ran from time to time.

Mr Schwarten: We only ever had one pub.

Mr PURCELL: It would have been well patronised.

I am still concerned that large foreign owned meat packing companies will use the producers in this country as top-ups. They will fill their home orders from their home countries first—in America, Korea, Japan or wherever—and they will use the meat producers here as a top-up and pay them a pittance for good cattle. Our producers should be getting a lot more for their cattle. I have had a lot to do with meat buyers and meat packers. If you turned your back for five minutes, they would take the pennies off a dead man's eyes.

The only way we used to get fair money for our cattle when we were feedlotting them was to put them over the scales and get paid for the weight. If we did not, we could walk them across the river and take them home, and they could not force us to sell. I have seen blokes drag cattle 200, 300 and 400 miles to the meatworks where they were offered just enough so that it was not worth their while to take them home. Those cattle were worth probably twice what they were getting paid for them. The large retailers would use scare tactics that the Americans or the Russians were withdrawing from the market and were thus able to fill their meat halls to capacity with cheap beef. They did not care about the producers of this State or this country or the workers who worked in the industry. I do, and I have cared about them for a long time. To have people on the other side start telling us on this side that we do not care gets right up my nose. They talk about caring, but they do not care.

Another aspect of the Bill relates to producers in certain industries that compulsorily pay a fee to certain organisations to look after them. I have no problem with that at all. To orderly market an item and to organise an industry in an orderly fashion is a smart way to do business. What the sugar producers are doing with single desk selling and that sort of thing is very, very smart. It has stood them in good stead. For years it also stood the Wheat Board and the grain elevators board in good stead. We should be doing the same thing with our meat and other items to make sure that we are not played off a break and taken for mugs.

Another thing that gets up my nose is industries that want to organise. I came from the building industry. Members opposite sitting behind the member for Clayfield support him when he talks about unions and puts them down. We want to make membership of unions in that industry compulsory to make that industry orderly and safe to work in and to ensure that workers can take a pay packet home every week, rather than having someone go broke and the workers not get paid. Members opposite do not want to know about that.

I can tell honourable members that, when I came to the city from the scrub to work in the building industry, it was like entering a battle zone. If people could go home after a week's work without being injured, they were dead set lucky. Prior to entering the building industry, I had worked in various agricultural industries which, as members would be aware, are amongst the most dangerous in the State. If members look at the workers compensation figures, they will see that more people are killed in those industries than any other. However, the building industry is very close to agricultural industries in terms of those sorts of statistics.

Attempting to change the meatworks industry so that people working in it could go home to their families with some money in their pocket—some jingle—took a lot of effort. If we are going to make that

industry work, we should make union membership compulsory. This is another argument that I have lost with my colleagues. I have been advocating it for some time, but I cannot seem to get it up; I cannot seem to get the support. I would support members opposite in regard to their organisation of rural industries. I see nothing the matter with that. I think that it is very smart business.

I will turn to my few notes because there are a few facts that I think need to be put on the record.

Mr Seeney: You're going to get relevant after all that!

Mr PURCELL: I know who is relevant in this place.

This Government has a strong commitment to jobs. Last year the Deputy Premier and the Minister for Primary Industries unveiled a comprehensive strategy for the meat industry. The Government's strategy aims to safeguard jobs, build sustainable and new jobs, develop value adding processes, hopefully into the 21st century, develop a robust, competitive processing sector, enhance our meat processing performance and continue with world's best practice.

I have talked to some people who have been looking at meat processing plants overseas. I have not looked at them myself; this is second-hand knowledge. Some of the meatworks overseas—particularly those that the Yanks operate—just kick the cattle to death. They make us use stainless steel, have water running everywhere and use world's practice, but over there they bring them in and kick the cattle to death.

Mr Cooper: They're third rate.

Mr PURCELL: They are third rate; I agree with the member for Crows Nest. They are making it as hard as they possibly can for us to compete, and we will compete very well in their industry. They just want to make it difficult because they cannot cop the competition; they cannot cop the heat in the kitchen.

As part of the Government's initiative to support the revitalisation of the meat industry in Queensland, the Meat Processing Task Force was established in October 1998 to act as a one-stop shop providing industry with access to the Government. In the past 12 months, the task force has worked with the industry to facilitate new investment and reinvestment, to encourage the retention of existing successful businesses and to identify and coordinate opportunities for developing a world competitive industry. The task force is also charged with administering the Queensland Meat Processing Development Initiative, which is a \$20m three-year funded program aimed at providing financial assistance to those industry proponents who wish to establish sustainable export or import replacement value adding activities in Queensland. I would like to outline some of the achievements of the task force to date. First, there has been support given to the Darling Downs Bacon Cooperative Limited to support the redevelopment of its pig processing plant in Toowoomba to export accreditation level.

Mr Seeney: How much did Murgon get?

Mr PURCELL: You want to talk about Murgon? If you have a black hole—

Mr DEPUTY SPEAKER (Mr Reeves): Order! The honourable member will address his remarks through the Chair.

Mr PURCELL:—and you keep putting money in the black hole and it keeps disappearing, what are you going to do? Put more money in the black hole? How much money do you have in Murgon?

Mr Seeney: Not much.

Mr PURCELL: So it is self-interest we are talking about here.

Mr Cooper: What about the jobs?

Mr PURCELL: Jobs we will be trying to address. I just spoke about the Cannon Hill meatworks and the effort I put in. Has anybody here gone and had a look at Murgon? Has anyone put their head in the engine and had a look to find out what is the matter?

Mr Cooper interjected.

Mr PURCELL: I have not been there, no. I am not a Minister and it is not in my electorate. If it were in my electorate, I would have my head in the engine, having a good bo-peep. I would not be in here bleating about it. You did not hear me bleating about Cannon Hill. I got in there and we did it. I did not bleat. Bleating does nothing.

Mr DEPUTY SPEAKER: Order! I remind the honourable member to speak through the Chair.

Mr PURCELL: The second achievement of the task force is support to the Southern Queensland Exporters Pty Ltd to support the establishment of Queensland's only sheepskin fellmongering plant at the Country Fresh abattoir at Wallangarra. Third, support has been given to Western Exporters Pty Ltd to support the construction of a by-products rendering plant. Fourth, an offer

of assistance has been made to Woolworths for the redevelopment of Brismeat's meat processing and distribution facility at QAC, Ipswich. Fifth, assistance is being given to DanPork for the establishment of an integrated pig processing facility at Pratten, near Warwick.

Mr Seeney: Is Murgon on the list?

Mr PURCELL: Is it on the honourable member's list?

Sixth, other applications from firms ranging from small rural businesses to significant regional and urban meat processors are currently being progressed with the Meat Processing Task Force. Additionally, the task force is conducting negotiations which include the sale of the Cannon Hill site to Australian Country Choice, the possible sale of the Ipswich site to Churchill Abattoirs Pty Ltd and the sale of the Toowoomba site and planning of industrial development on the already closed Bundaberg site.

In respect of the Cannon Hill site, 700 jobs which would otherwise have been lost will be saved—it will not happen overnight; it will take some time for that to happen—through the sale of the Queensland Abattoir Corporation site at Cannon Hill to Australian Country Choice. ACC is a major long-term supplier of processed meat to Coles Supermarkets, and having this facility in Queensland will consolidate this State as the leader in meat processing in Australia.

ACC is going to put some of the latest technology into meat processing. I think a lot of members from both sides of the House will come to look at this plant once it is up and operating. It will be a template for other meatworks. It should be small. It should be very mechanised and should have the latest gear in it.

The meat industry is a very hard industry to work in. Anyone who has ever worked in a meatworks will know how heavy and hard the work is. We are trying to make that work not quite as heavy by mechanising a lot of the jobs that are now done by bone and muscle. We burn blokes out fairly quickly in these industries. We take them in young and we turn them out at about 40, when they are looking 60—and that is if they get an easy run.

Mr Cooper: Come and have a look at the Oakey works. That is very modern.

Mr PURCELL: I have not been there. ACC plans to spend in excess of \$20m in capital expenditure over the next four years. In addition to ACC, the opportunity exists for investment in distribution facilities and the co-location of related meat and food processing on site. That is yet to be seen, but we have to get a lot smarter than we are at the moment in regard to how we process meat. Value adding is where the jobs are. Just killing, skinning, gutting, cutting in half and sending away a beast is not where the jobs are. The jobs are in processing that meat and putting it into packages that the consumer wants—not only here but also abroad.

I think we should be slicing and dicing and sending our stuff to Singapore, China and those sorts of places—send them what they want and in great quantities. We should be doing some research. We should get some good cooks involved. I reckon once people have tasted Australian meat—beef, sheep, pork—that has been cooked right, they will never want to eat anything else. We should be taking overseas heaps of meat and good cooks to show people how to cook the product. We should feed them as much as we possibly can, because they will be customers for life once they taste it. I do not think I will read any more of this prepared speech.

Mr Cooper: You have got two minutes.

Mr PURCELL: There is a little bit here about bagging the previous Government. I do not think I have to do that. I think I have done it. I got to that a bit early.

Opposition members interjected.

Mr DEPUTY SPEAKER: Order! Opposition members will let the member finish his speech.

Mr Palaszcuk interjected.

Mr PURCELL: I thank the Minister for reminding me. A mate of mine, Wayne Bennett, wanted to have a yarn to the Minister. Six dairy farmers came in and spent some time with the Minister to talk about what is happening in the dairy industry. I think it would do the Opposition well to talk to some of their Federal colleagues. They are going to absolutely destroy the dairy industry. I think our Minister is doing everything he possibly can, but the Victorians—

Mr Cooper interjected.

Mr PURCELL: It is just like Queensland with sugar. We were the lead agency for sugar. We set the pace. We ought to be talking to some of the Victorians. We ought to be sending letters to every dairy farmer in Victoria to say, "Hold the line." If the Labor Government in Victoria is going to give them a vote, we ought to be encouraging them to vote the right way and look after their mates in the industry throughout Australia.

Time expired.