



Speech by

**Dr PETER PRENZLER**

**MEMBER FOR LOCKYER**

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### **SUGAR INDUSTRY BILL**

**Dr PRENZLER** (Lockyer—ONP) (3.51 p.m.): The Sugar Industry Bill, although providing some positives to the sugar industry, does have many serious issues that need to be resolved prior to its passing through this House. The majority of these issues relate to the balance between the mill owner and the grower. The Bill, in many instances, favours the mill owner over the grower, posing a threat to the livelihood of canegrowers should it be passed in its current form. The industry already has an imbalance in this regard simply due to its structure and the economic viability for growers to switch mills should they be dissatisfied with the mill they currently supply. Regardless of that factor, though, cooperation between mill owners and growers appears to be satisfactory at the moment. In no way, however, should this be disturbed, as many of the provisions of this Bill do, by shifting the balance in favour of the mill owners.

I do have it on good authority that the Minister will be proposing amendments to the Bill during Committee to address many of my concerns. It is also known that the coalition intends to propose amendments, as the member for Crows Nest explained during the last sitting of Parliament, that will allay One Nation's main concerns. I have just received the amendments, and unless they overturn any attempt to undermine the viability of the canegrowers, we will not be supporting this Bill.

Since this Bill was introduced there has been widespread unhappiness with particular areas, mostly in relation to the imbalance between mill owners and growers and the obvious advantage that this Bill will give to mill owners themselves. I am pleased to hear that the Minister apparently has listened to those cries and intends to address this imbalance. One only hopes that he does not shy away from doing a thorough overhaul of the Bill and that the amendments he proposes will address all of the concerns of the industry in this regard.

Albeit that amendments are to be proposed, I must make quick mention of a couple of the areas that were of major concern to me. I will be brief, as the member for Whitsunday has already mentioned these concerns, as have many of the coalition members who have spoken in this debate. The Bill gives mill owners an advantage when negotiating individual agreements, as the mill owner has access to information that the grower does not have. The information should be as accessible to the grower as it is to the mill owner to ensure fairness and an even negotiating base. I believe that amendments are to be made in this area, and they will receive my full support.

One of the major problems with the original Bill is the removal of the link between the sugar in cane price and the sugar sale price. This greatly advantages the mill owner over the grower—in other words, multinational companies over farmers. The grower is left with no benchmark with which to negotiate prices, whilst the miller has available all of the required information.

It is clear that the aim for this clause, section 122(5), is to diversify payment methods and provide choice. Unfortunately, this arrangement will only give the millers greater flexibility to negotiate prices down, to the disadvantage of the growers. I understand that this removal of the link between sugar in cane and the sale price of sugar was not a recommendation of the Sugar Industry Review Working Party, and I wonder then as to the Minister's reasoning for incorporating it into the Bill. Perhaps he will enlighten us at some stage.

Although there are several other issues of concern, I will not proceed to point them all out. Many have already been raised by other members on this side of the House. There are positive aspects to

the Bill, the most important being the maintenance of single-desk selling, which is a must for the survival of the Queensland sugar industry. This is good to see and, I am sure, a relief to industry participants, although it is a very feeble palliative indeed for the trade-off of tariffs.

Primary industry has been hit hard by the push for globalisation in the last few decades. People in the Queensland sugar industry have been doing well; they have had their fair share of struggles, but they have survived and grown. They are not untouchable, however, and great care needs to be taken with any reforms to this industry, especially in the face of falling commodity prices and the threat of cheaper sugar from developing countries. The imbalance posed in this Bill is an assault upon, and a threat to, the growers and is highly unacceptable if the industry is to continue to function successfully. We have seen the devastation of economic rationalist theories upon other industries, and we have seen the removal of people from the land—honest, hardworking people who, through no fault of their own, have had to close up shop and see their livelihood slip away from them.

Economic rationalism has done immense damage to regional and rural Australia. One need look no further than the recent report titled *Social Atlas of Rural and Regional Australia*, compiled by the Bureau of Rural Sciences, to see the way in which rural Australia has been destroyed. The number of farmers has halved in the past 30 years, rural Australia has been depopulated, and the remaining regional communities have suffered a major decline in services and average incomes. Australian Governments have raced headlong into the arrant nonsense of the supposed level playing field. Australians, especially rural Australians, have acted as the guinea pigs of globalisation.

Let us put an end to the free market theory and wake up to reality. Do not support the multinational corporations over the farmers. Do not aim for global leadership and international mates at the expense of the Aussies who have worked the land for generations and developed the very industries that have been the backbone of our development and are now being slowly destroyed. Let us be sensible about reform and do all that can be done to help and encourage the grassroots end of the chain, rather than all that can be done to make their life more difficult.

There is no argument amongst industry participants that a change is necessary and that this Bill does create a less regulated market. In a less regulated market, however, adequate protection must be provided against the abuse of market power. The concerns I have highlighted most certainly need to be addressed. It has been said that the imbalance between the mill owner and the grower will be restored through amendments in Committee, and I trust that this will occur. The Queensland sugar industry itself depends on it. If our concerns are addressed, we will support this Bill; but in its current form, we would be unable to do so.

One thing is certain, and that is that the sugar industry deserves some stability and support in maintaining its important role in our economy. I thank the members of the industry and interested public for their phone calls and information provided with regard to this Bill. Industry input is always welcomed and of benefit. One Nation will always fight for what is fair and for what will benefit the little bloke in industry, all Queenslanders and all Australians.

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