



Speech by

Dr PETER PRENZLER

MEMBER FOR LOCKYER

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PRIMARY INDUSTRY BODIES REFORM BILL

Dr PRENZLER (Lockyer—ONP) (3.49 p.m.): One Nation supports the intent of the Primary Industry Bodies Reform Bill. Our support is rather tongue in cheek because of the representations I have had from three of the bodies in the Lockyer electorate that are affected by this legislation. There has certainly been a wide spectrum of representations from both sides of the fence that have expressed contrary opinions. Many want the compulsory levies to go; some want to retain these bodies in their current form, and some do not have any opinion either way. Once again, we see a Government that, without any grassroots consultation, is going to thrust its decision upon these rural producers. I believe a plebiscite of the affected growers and producers would have been the correct way to determine their wishes. Either way, we cannot deny that there are many producers out there who will breathe a sigh of relief with an end to these compulsory levies.

I was recently contacted by a vegetable producer in my area. He is actually a carrot grower. This grower, like so many in the primary industry sector today, is struggling to cope with unfavourable seasonal conditions—we are having a lot of rain in our area—low commodity prices and constant escalating costs. His liability for the compulsory levy to the Queensland Fruit and Vegetable Growers organisation for the current financial year to date is of the order of \$70,000. Quite frankly, he tells me that he is going to have great difficulty in finding the funds to pay this organisation.

This Bill's objective is to allow the transition of producer bodies under the Primary Producers' Organisation and Marketing Act 1926 and the Fruit Marketing Organisation Act 1923 to non-statutory legal replacement organisations. It will achieve these objectives by, and I quote from the Explanatory Notes—

"(1) Compulsory levies will cease on the date the Bill receives royal assent and the Primary Producers Organisation and Marketing Act 1926 and the Fruit Marketing Organisation Act 1923 will be repealed.

(2) The assets and liabilities of each producer body will be transferred to the corresponding replacement corporation on the day the Bill receives royal assent.

(3) If the replacement corporation is a public company or cooperative with share capital, it will issue shares to an administrator of the relevant producer body in return for the assets transfer. The administrator will allocate these shares to relevant producers."

The last point is that each replacement corporation will operate with compulsory membership for a compulsory period of a further three years with a possible extension for a further two years after a poll of the members of that organisation.

Part 9 of this Bill relates to the Government's strategy for its divestment of the Queensland Abattoir Corporation, the QAC. The Bill aims to do this by amending the Meat Industry Act 1983 to empower the corporation to sell assets and land other than for meat processing activities. It will then allow the corporation to deal generally in land, including the power to lease and subdivide land for its own use as well as that of third parties, including seeking planning approvals. It will allow the corporation to transfer its assets to another entity for redevelopment and allows the Minister to appoint an administrator to simplify the administration of the Queensland Abattoir Corporation when the term of the current board expires.

As with many other members on this side of the House, I have no great problems with Part 9 of the Bill. Its commencement will be at the time of royal assent. As with other members on this side of the House, though, I do have concerns with other sections of this Bill that commence retrospectively from 26 October 1999. This section relates to the five producer organisations—the Queensland Fruit and Vegetable Growers, the Queensland Dairy Farmers Organisation, the Queensland Pork Producers Organisation, the Queensland Canegrowers Organisation and the Queensland Commercial Fishermen's Organisation. I share concerns of why the sudden rush. Why the retrospectivity?

In reply to questions raised by the Scrutiny of Legislation Committee in Alert Digest No. 13, the Minister said—

"As I mentioned in the second reading speech for the Bill, legal doubts have been expressed about the legal validity of the levies currently raised to fund producer bodies under the Primary Producers Organisation and Marketing Act 1926 and the Fruit Marketing Organisation Act 1923. If the levies were found to be invalid, the producer bodies would be required to repay a very substantial amount to producers. The sums involved would almost send the producer bodies bankrupt. Given these circumstances, the Government considers it urgent that the legal doubt be removed as soon as possible."

I can understand the Minister's concerns, but surely these are not as great as ignoring a complete consultation process with all the producers involved with these bodies. Paul Ziebarth, the chairman of the Queensland Fruit and Vegetable Growers, has already expressed his opinion that not enough time for consultation with members of his organisation was allowed.

I do share concerns with the coalition Opposition with regard to the lack of explicit stamp duty exemptions from asset transfer arrangements. I will be watching with interest for the detailed provisions of relief that the Minister referred to in his second-reading speech. I do hope that the Minister can give some details of this relief in his summation at the end of the second-reading debate.

If the progress of this Bill through all its stages in the Parliament—and if the brutal tenacity displayed by this Government last Wednesday night is anything to go by, I have no doubt that it will—then I believe that the transition periods allowed in the Bill are of the utmost importance. I do agree with the Minister that compulsory membership initially for up to three years, then an extension for a further two years if there is a successful producer poll, is of the utmost importance to avoid a possible vacuum in the area of producer representation. A producer industry without some degree of a peak body representation could be severely disadvantaged in marketing.

I firmly support the concept of peak industry bodies as a necessary structure to lobby Governments and to coordinate industry policies and industry responses to issues. I would strongly urge primary producers to continue to be a part of the industry organisations, to share the benefit of a united industry approach to problems and to have a say and input into the future directions of their industries. In my electorate of Lockyer I have producers who are members of the Queensland Fruit and Vegetable Growers, the Queensland Dairy Farmers Organisation and the Queensland Pork Producers. I have no members of the Canegrowers association. I am sure that honourable members can appreciate that, but I can understand some of the concerns that members of this House who represent that industry have, especially with the BSES.

I am sure that the majority of the producers in my electorate will be happy to support these bodies where that support is earned rather than legislated. Voluntary membership would certainly encourage proactive policy initiatives from the peak industry bodies concerned. The producer organisations will have to perform efficiently and in the best interests of the producers to encourage their continuing membership. This in no way is any reflection on the ability or the hard work that has been done by the current producer organisations. I certainly think they have done a good job in the past, but they will have to concentrate on their results if membership is voluntary. If they perform very well, they will continue to enjoy the support of their producer members.
