



Speech by

Hon. RUSSELL COOPER

MEMBER FOR CROWS NEST

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SOUTH BURNETT MEATWORKS, MURGON

Hon. T. R. COOPER (Crows Nest—NPA) (7.02 p.m.): In February 1998, the coalition released a report titled "Meat Processing Industry at the Crossroads". That report contained 22 recommendations together with details of a fund of \$20m that was set up to provide relief and assistance in a range of ways, including value adding, exports, assistance with payroll tax relief and WorkCover relief. When our Government left office and this Government took over, the problem at Murgon meatworks arose when it obviously ran into trouble.

At that time, the Government was saying that it was there for the workers, for the people, for the industries and for the meatworks. When this Government commissioned another review, it came up with six of the original 22 recommendations. However, the recommendations provided no assistance for payroll tax or WorkCover relief. As anyone would know, the Murgon meatworks was facing a bill of \$1.3m from WorkCover premiums, rising to \$2m. That was absolutely crippling. Although that was not the only reason that the Murgon meatworks got into trouble, it certainly helped. The Borbidge Government developed initiatives following difficulties at the Bowen and Mackay meatworks, and we put in place that assistance package to assist the Murgon meatworks or any other meatworks that got into trouble.

We are fully aware that the meat industry is a tough one. Competition in the industry is absolutely ruthless, but the Murgon meatworks knows that. It has been in the business for a long time. It has about 600 employees. It is well managed—contrary to the view of the Premier, who has castigated its management and staff, saying that they are incompetent. That was an insulting statement, to say the least. The Government has sat on its hands and blamed management and staff. Yet only recently it assisted the multinational AMH to expand. The Murgon meatworks is a cooperative with about 3,000 Queensland shareholders. Yet this Government is quite prepared to side heavily in favour of the conglomerate AMH. If AMH is allowed to knock Murgon out by its competitive practices, that will mean one fewer competitor in the field—a competitor that we badly need.

I place on record the work of Councillor Bill Roberts, the Murgon Mayor, who has done an enormous amount of work in order to try to save the meatworks. I also recognise that Mr Rick Dennis of Ernst and Young is the voluntary administrator. His role is to take control of the operations and provide the board with the appropriate time and structure within which to put together a restructure of the operations. He has our full support. The irony, of course—and the unfortunate part—is that the Deputy Premier is on record as saying—

"What is clear, though, is this: when companies get into trouble and jobs are at risk, we do not just sit back and accept the situation. Our role is to intervene. I said we would intervene in the market where we needed to intervene in the market"—

of course, this related to another industry—

"not only in driving the jobs agenda and attracting jobs and growing jobs in this State but also in saving jobs in this State."

So what is sauce for the goose is sauce for the gander. We had a Queensland firm in trouble. And in order to get this Government to do something, we had to apply an enormous amount of pressure.

Members on this side of the House have kept in close contact with developments. Meatworks and jobs must be saved at all costs in that area and elsewhere around the State. We have recognised that competition is vital in the cattle industry, and we must maintain it. It can be enhanced and improved dramatically. There is no doubt about that. Restructuring financially is one thing, but they need assistance with marketing advice, export advice, value adding advice and ensuring that they have the assistance to go with that advice—and financial assistance if need be. We will hold to account the Federal Government, which has offered as much as \$2m, in order to ensure that the Murgon meatworks can survive.

It is the jobs, for sure; it is the families, for sure; but it is the industry as a whole throughout the Murgon/South Burnett region and right across the State that is vitally important. Those people deserve every bit of support that we can provide. That requires some sound, sensible thinking. I sincerely believe that Ernst and Young, through Rick Dennis, can come up with the goods in order to make sure that this particular company can see a new future in the very, very tough business that, as I have said, the meat industry is.

Time expired.
